#### **EXPLANATORY MEMORANDUM TO**

# THE HEALTH AND SAFETY (MISCELLANEOUS AMENDMENTS AND REVOCATIONS) REGULATIONS 2009

## 2009 No. 693

1. This explanatory memorandum has been prepared by the Health and Safety Executive on behalf of the Department for Work and Pensions and is laid before Parliament by Command of Her Majesty.

## 2. Purpose of the instrument

- 2.1 The instrument amends aspects of the regime of controls for explosives. It makes changes such as
- increasing the maximum life of explosives certificates to five years;
- giving licensing authorities the power to vary a registration to store explosives;
- disapplying the local authority assent process before the grant of manufacturing licences to the police, and other requirements relating to the public availability of information on police licences, to ensure that the information remains tightly controlled.
- 2.2 The instrument revokes outdated mining regulations, where the mines to which they apply have closed or the processes they regulate no longer apply. In addition, the regulation removes anomalies in regulations on genetically modified organisms and the control of noise at work.

## 3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 One of the amendments made to the Manufacture and Storage of Explosives Regulations 2005 (SI 2005/1082) follows on from a report by the Joint Committee on Statutory Instruments in its Third Report of the Session 2006/7 on a Northern Irish set of Regulations (the Manufacture and Storage of Explosives Regulations (Northern Ireland) 2006 (SI 2006/425). Regulation 18 of those Regulations was reported for making an unexpected exercise of the enabling power since it permitted the transfer of a licence or registration under regulation 18 to a person who would have been refused one for not being a fit person (under regulation 14(2)(b) if he had applied for it. Regulation 20(2) of SI 2005/1082 is substantially the same as regulation 18 of the Northern Irish Regulations. The amendment seeks to remedy that by providing for refusal of an application to transfer a licence or registration by a licensing authority if it is of the opinion that the person is unfit.

## 4. Legislative Context

4.1 Under the Control of Explosives Regulations 1991, chief officers of the police can issue explosive certificates for the acquisition or acquisition and keeping of explosives. The main purpose of the amendments to those Regulations by this instrument is to extend the maximum period of validity of an explosives certificate from 3 years to 5, and to extend the maximum validity of acquire-only explosives certificates from 1 to 5 years. The Manufacture and Storage of Explosives Regulations 2005 provide for the licensing of the manufacture and storage of explosives and also for the registration in respect of such storage. Those Regulations are similarly amended to extend the period of a registration or a storage licence granted by the police or the Executive from two years to five. The duration of these can match the new longer period of an explosives certificate. There are also amendments to ensure that details of the police's

manufacture of explosives for operational purposes remain tightly controlled. Those operational purposes are approved by the Association of Chief Police Officers. The amendments disapply the local authority assent process, which would involve disclosure in local newspapers of the type, quantity and precise location of explosives to be manufactured. They also disapply other requirements relating to public availability of information about licensed sites in the case of these police manufacturing licences.

- 4.2 Regulation 5 makes a small change to the Control of Noise at Work Regulations 2005 so as to ensure compliance with European legislation, but while small, it is a little complicated to explain. Those Regulations set requirements for hearing protection equipment provided for use at work. They implement, as respects Great Britain, Directive 2003/10/EC of the European Parliament and of the Council (OJ No. L42, 15.2,2003, p.38) on the minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (noise) (seventeenth individual Directive within the meaning of Article 16(1) of Directive 89/391/EEC). Article 6(1) of Directive 2003/10/EC requires that hearing protectors should be made available to workers and used by them in accordance with the provisions of Council Directive 89/656/EEC on the minimum health and safety requirements for the use by workers of personal protective equipment at the workplace (OJ No. L393, 30.12.1989, p. 18 - 28). Article 4(1) of Council Directive 89/656/EEC requires that personal protective equipment must comply with the relevant Community provisions on design and manufacture with respect to safety and health, which means for these purposes Council Directive 89/686/EEC on the approximation of the laws of the Member States relating to personal protective equipment (OJ No. L399, 30.12.1989, p.18 – 38). The Personal Protective Equipment Regulations 2002 (S.I. 2002/1144) are for implementing Directive 89/686/EEC. The amendment to the Control of Noise at Work Regulations 2005 by this instrument is for fully implementing the two Articles referred to above and the effect is to require that hearing protection equipment provided at work must comply with the Personal Protective Equipment Regulations 2002 (S.I. 2002/1144). The Transposition Note which was prepared for Directive 2003/10/EEC was in fact accurate in what it said about which provisions of the implementing Regulations were for Article 6(1) and, as a result, it is not considered that it needs changing.
- 4.3 For explanation of the amendments to the two other Regulations amended by this instrument, please see the Policy Background.

## 5. Territorial Extent and Application

5.1 This instrument applies to Great Britain.

## 6. European Convention on Human Rights

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

## 7. Policy background

- What is being done and why
- 7.1 (i) The Control of Explosives Regulations 1991 require anyone wishing to acquire most kinds of explosives to have an explosives certificate from the police certifying that they are a 'fit person'. The instrument will amend those Regulations to increase the maximum life of certificates to acquire and keep explosives from 3 years to 5 years, bringing the life of these certificates into line with firearms certificates, and enabling an increase in the life of many storage licences,

without affecting safety. The instrument also increases the maximum period of validity for acquisition-only explosives certificates, from 1 year to 5 years. These changes will also have the effect of reducing paper work for the police and holders of explosives certificates.

- (ii) The Manufacture and Storage of Explosives Regulations 2005 ("MSER") provide controls on the manufacture, storage and handling of all explosives. Besides the amendments to MSER indicated in the Legal Background, this instrument amends MSER to address issues that have come to light since the Regulations came into force. These include enabling a licensing authority to vary a registration, and to refuse the transfer of a licence or a registration if the licensing authority is of the opinion that the applicant is not a fit person to store or manufacture explosives, as the case may be. There is also a duty imposed on manufacturers, importers and suppliers of pyrotechnic articles to ensure, so far as is reasonably practicable, that the net mass of explosive in the article does not exceed the amount they have specified on the article, its packaging or its accompanying document.
- (iii) The Health and Safety Enforcing Authority Regulations 1998 ("HSEAR") provide for the division of responsibilities for the enforcement of health and safety legislation between HSE and local authorities. The instrument will remove gaps and anomalies in enforcement responsibilities. First, HSE will be the enforcing authority for the storage of ammonium nitrate blasting intermediate. Second, the amendments make HSE the enforcing authority for regulation 25 of MSER, which prohibits acquisition or sale of more than 50kgs of fireworks to persons without a storage licence or registration. Third, the instrument changes the meaning of "local authority" under HSEAR for ensuring consistency in the meaning of those words as between HSEAR and MSER.
- (iv) The amendment to the Control of Noise at Work Regulations 2005 cures an omission when those Regulations were made and requires that hearing protection provided for use at work complies with product safety legislation, namely, the Personal Protective Equipment Regulations 2002.
- (v) The Genetically Modified Organisms (GMO Contained Use) Regulations 2000 require HSE to keep a public register of notifications made under those Regulations and maintain it at the offices of HSE in Rose Court London and Magdalen House, Bootle. This instrument will change the address of the public register to HSE's headquarters in Redgrave Court, Bootle.
- (vi) The instrument also provides an opportunity to revoke 224 sets of mining regulations, which are each applicable to a particular mine. They govern mines which have either been closed permanently (201 mines) or where the mechanical systems which were once used in them, and which the regulations concern, are no longer used (23 mines).

## • Consolidation

7.2 HSE is not proposing to consolidate these amendments with the principal Regulations at this time.

#### 8. Consultation outcome

8.1 HSE published a full consultative document on the proposals and invited comments within three months (by 1.2.2008). <u>Annex 1</u> lists the organisations consulted on the proposals, and those who responded. The proposals were considered by a national consultative committee involving representatives from the explosives industry, local authorities, trade unions and professional bodies. They were also considered by the Mining Industry Committee.

- 8.2 All but two of the proposals in the Consultative Document were widely supported by stakeholders consulted. Two proposals were opposed. These were a proposal for firearms certificate holders to enable them to hold a certain amount of black powder for use with their weapons without having to obtain an explosives certificate as well; and a proposal to enable local licensing authorities, in certain circumstances, to further limit the amount of explosives that can be stored at a registered store. Stakeholders identified potential difficulties with both of these proposals and as a result HSE has decided not to take them forward.
- 8.3 Amendments to MSER to ensure that details of the police's manufacture of explosives for operational purposes remain tightly controlled have come from the Home Office, consulting the Executive and the Local Government Association. This was a single issue consultation to meet an urgent police operational requirement.
- 8.4 The minor change to the GMO Regulations was not in the Consultative Document, but stakeholders were consulted separately and have raised no objection.

#### 9. Guidance

9.1 The amendments adjust the technical detail of the principal Regulations and, with the single exception described in paragraph 7.1(ii) above, do not introduce new duties. Published guidance already exists for most of the regulations that will be amended. This guidance will be updated, where appropriate, to take account of the changes and assist compliance.

## 10. Impact

- 10.1 The impact on business, charities or voluntary bodies is small, but beneficial.
  - 10.2 The impact on the public sector is minimal.
  - 10.3 An Impact Assessment is attached to this memorandum.

## 11. Regulating small business

- 11.1 The legislation applies to small business.
- 11.2 The instrument will reduce existing burdens on business, particularly small business, by streamlining the explosives certificate regime without affecting safety, and reducing costs.
- 11.3 The consultation concerned minor modifications to existing controls which already apply to small business, and most of those changes are intended to streamline and reduce costs. Bodies representing small businesses were included in the consultation.

## 12. Monitoring & review

12.1 We intend to review the operation of the amendments in three years time.

#### 13. Contact

David Pascoe at the Health and Safety Executive can answer any queries regarding these Regulations. Tel 0151 951 4241, email david.pascoe@hse.gsi.gov.uk.

# **Organisations Consulted**

**Association of Chief Police Officers** 

Association of Chief Police Officers (Scotland)

Association of British Insurers

Association of Noise Consultants

Association of Stage Pyrotechnics

Atomic Weapons Establishment

Broadcasting Entertainment Cinematograph and Theatre Union

British Aggregates Association

British Association for Shooting and Conservation

**British Fireworks Association** 

British Institute of occupational Hygienists

British Model Flying Association

**British Pyrotechnists Association** 

British Retail Consortium

**British Shooting Sports Council** 

CBI Explosives Industry Group

Chartered Institute of Environmental Health

Chief Executives of each English, Scottish and Welsh Local Authority Chief Fire

Officers Association

Chief Fire Officers in England and Wales

**Construction Confederation** 

Convention of Scottish Local Authorities

Department for Business, Enterprise and Regulatory Reform

**Engineering Employers Federation** 

English Civil War Society

Gun Trade Association

Home Office

**Individual Mines Managers** 

Institute of Acoustics

Institute of Explosives Engineers

Local Authorities Coordinators of Regulatory Services

Major Fireworks Companies (16)

Maritime and Coastguard Agency

Mining Industry Committee

Ministry of Defence

National Association of Re-enactment Societies

**Quarry Products Association** 

Royal National Lifeboats Institute

Scottish Parliament

Scottish TUC

Southern England Rocket Flyers

**Trading Standards Institute** 

**TUC** 

United Kingdom Rocketry Association

Welsh Assembly

## Organisations etc who responded

1006 Rifle and Pistol Club

1<sup>st</sup> Galaxy Fireworks

Aberdeen City Council

Ace Conveyor Equipment Ltd

Alford Technologies

American Civil War Society

Association of Chief Police Officers

Association of Chief Police Officers (Scotland)

Association of Noise Consultants

Avon and Somerset Police

British Association for Shooting and Conservation

**British Fireworks Association** 

British Pyrotechnists Association

**CBI** Explosives Industry Group

Cheshunt Rifle and Pistol Club

Chief Fire Officers Association

Cosmic Fireworks

Devon and Cornwall Police

East of England Trading Standards Association

East Sussex Fire and Rescue Service

Effects Associates (on behalf of film industry special effects companies)

Glasgow City Council

Hampshire County Council

Historical Breech Loading Small Arms Association

Inner London Chief trading Standards Officers Group

Institute of Explosives Engineers

Men Shun Fireworks

Muzzle Loaders Association of Great Britain

National Association of Re-enactment Societies

North Ayrshire Council

North Somerset Council

**Private Individuals** 

OinetiO

Rotherham Chantry Rifle, Pistol and Social Club

Sandling Fireworks

Solar Pyrotechnics

Somerset County Council

South West Trading Standards Partnership

Southern England Rocket Flyers

The Napoleonic Association

**Trading Standards South East** 

West Yorkshire Fire and Rescue Authority

Summary: Intervention & Options		
Department /Agency: Health and Safety Executive		
Stage: Final Proposal	Version: Final	Date: 9 March 2009
Related Publications:		

#### Available to view or download at:

http://www.hse.gov.uk/ria and http://www.ialibrary.berr.gov.uk

Contact for enquiries: David Pascoe HSE Telephone: 0151 951 4241

What is the problem under consideration? Why is government intervention necessary?

The proposals are intended to:

- reduce the administrative burden arising from explosives legislation whilst continuing to protect health and safety;
- resolve issues that have arisen since new regulations on Manufacturing and Storage of Explosives came into force;
- revoke redundant and outdated local mining regulations; and,
- remedy an oversight in the Control of Noise at Work Regulations and update HSE's address

#### What are the policy objectives and the intended effects?

The amendments are intended to:

- reduce administrative burdens on the police and on dutyholders, whilst continuing to protect health and safety;
- ensure that the Manufacturing and Storage of Explosives Regulations, the Control of Noise at Work Regulations and the Genetically Modified Organisms (Contained Use) Regulations operate as intended, by updating and remedying omissions and anomalies;
- remove redundant and outdated legislation from the statute book.

What policy options have been considered? Please justify any preferred option.

There were two options: to make the proposed amendments, or to do nothing. Currently, the administrative burden on the private sector (duty holders) and public sector is higher than necessary. Savings can be made which would not be realised if we had gone for the 'do nothing' option.

When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects? 3 years after coming into law.

Ministerial Sign-off For final proposal/implementation stage Impact Assessments:

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister:

William D.McKenzie Date: 11th March 2009

# **Summary: Analysis & Evidence**

**Policy Option: final** proposal

Description: Costs and benefits of the amending regulations and supplementary provisions

**ANNUAL COSTS** affected groups' One-off (Transition) Yrs £ 0 30 **Average Annual Cost** (excluding one-off)

Description and scale of **key monetised costs** by 'main

Total Cost (PV)

£ 0

Other key non-monetised costs by 'main affected groups'.

**ANNUAL BENEFITS** One-off Yrs

£ 0

£ 0

30

**Average Annual Benefit** (excluding one-off)

£ 20,164

Description and scale of **key monetised benefits** by 'main affected groups'

> Total Benefit (PV) £ 383,837

Other **key non-monetised benefits** by 'main affected groups'

There are also benefits to certificate holders from reduced paperwork. These are difficult to quantify.

Key Assumptions/Sensitivities/Risks A second key assumption is that police forces will make full use of the provisions enabling them to grant certificates, licences and registrations for up to 5 years.

Price Base Time Period Net Benefit Range (NPV) **NET BENEFIT** (NPV Best estimate) Year 2007 Years 30 £ 383,837

What is the geographic coverage of the policy/option?			Great Britai	in
On what date will the policy be implemented?			6 April 2009	
Which organisation(s) will enforce the policy?			Police and	HSE
What is the total annual cost of enforcement for thes	e organisatio	ns?	£ no addition	onal
Does enforcement comply with Hampton principles?			Yes	
Will implementation go beyond minimum EU requirements?		N/A		
What is the value of the proposed offsetting measure per year?		£0		
What is the value of changes in greenhouse gas emissions?		£0		
Will the proposal have a significant impact on competition?		No		
Annual cost (£-£) per organisation (excluding one-off)	Micro 0	Small 0	Medium 0	Large 0
Are any of these organisations exempt?	No	No	N/A	N/A

**Impact on Admin Burdens Baseline** (2005 Prices)

(Increase - Decrease)

Increase of £0 Decrease of **Net Impact** £ 0

Key:

**Annual costs and benefits: Constant Prices** 

(Net) Present Value

[Use this space (with a recommended maximum of 30 pages) to set out the evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Ensure that the information is organised in such a way as to explain clearly the summary information on the preceding pages of this form.]

# Health and Safety (Miscellaneous Amendments and Revocations) Regulations - Impact Assessment

#### SUMMARY OF PROPOSALS

## Amendments to the Control of Explosives Regulations

The principal proposed amendments to the Control of Explosives Regulations are:

- an increase in the maximum period of validity for acquire-and-keep certificates from 3
  years to 5 years.
- an increase in the maximum period of validity for acquisition-only explosives certificates, from 1 year to 5 years.

The proposal to increase the maximum life of the explosives certificate would have benefits for the 500 sites storing explosives under licences or registrations where the police are the licensing authority. The life of these permits is tied to the life of the explosives certificate. Increasing the life of the explosive certificate would in turn enable the life of the storage licence or registration to be extended. At HSE sites the licence is granted on an indefinite basis so there would be no consequent benefit for these sites – although they would benefit from the extension of the life of certificates in reduced fees.

## Amendments to the Manufacture and Storage of Explosives Regulations

The amendments to the Manufacture and Storage of Explosives Regulations address a number of issues that have become apparent since the regulations came into force. Some aspects of the proposals would involve changes to the requirements.

The main substantive changes are:

- changes to the mechanism for transferring a licence to give the licensing authority the power to refuse a transfer where the transferee is not a fit person to manufacture and/or store explosives;
- changes to enable licensing authorities to vary a registration;
- a proposed new duty on the accuracy of the labelling or other information about the amount of explosive contained in fireworks. This information is used by storeholders to assist them in keeping within the limits set out in their registration or licence.

# Revocation of local mining regulations

The proposals would also revoke 224 sets of mine regulations, which are each specific to a particular mine). In the large majority of cases, the mine closed some time ago.

It is also proposed to revoke the local regulations at 23 working mines. The main reasons for this are that:

- the regulations are in most cases outdated referring to working systems and /or equipment that are no longer in use; and
- they are also inconsistent in approach with current legislation especially the regulations on the Control of Substances Hazardous to Health (COSHH).

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## Amendments to the Control of Noise at Work Regulations

The proposals would amend the Control of Noise at Work Regulations 2005 to remedy an oversight in the original regulations by including a requirement ensuring that hearing protection equipment complies with the Personal Protective Equipment Regulations 2002.

The costs and benefits of the Control of Noise at Work Regulations are detailed in the final regulatory impact assessment for these regulations and are available at <a href="http://www.hse.gov.uk/noise/noise.pdf">http://www.hse.gov.uk/noise/noise.pdf</a>. This RIA assumed that the duty to comply with product safety legislation was in the regulations. HSE's guidance on the selection of hearing protection already recommends that employers should ensure hearing protection for use at work conforms to product safety legislation and is CE marked. This amendment will reintroduce that expectation into the regulations as is required by European Community law and as was the case with the Noise at Work Regulations 1989.

Given that the final RIA for the Control of Noise at Work Regulations 2005 assumed that this duty was in the regulations and given that it is already HSE guidance and good practice that hearing protection supplied for use at work conforms to the requirements of product supply legislation etc the costs and benefits of this amendment costs over and above those set out in the final RIA for the Control of Noise at Work Regulations 2005 should be nil or negligible. Therefore a detailed regulatory impact assessment for this amendment has not been prepared.

# Amendments to the Genetically Modified Organisms (Contained Use) Regulations 2000

These regulations require HSE to keep a public register of GMO notifications. Regulation 24(7) states that copies of the register shall be maintained at the offices of HSE in Rose Court, London and Magdalen House in Bootle. HSE no longer has an office at Magdalen House and is moving to a single headquarters in Redgrave Court in Bootle. Therefore, this regulation will be amended to state that copies of the register as regards Great Britain shall be maintained at the offices of the Health and Safety Executive at Redgrave Court. A copy of the register will remain available on the HSE website for public viewing. This minor factual change was not in the consultation proposals on the Miscellaneous Amendments Regulations, but has been consulted on separately. This proposal is expected to be cost-neutral.

#### **SUMMARY OF IMPACT**

## Increase in the maximum period of validity for explosives certificates

There would be a benefit to both the public sector and the private sector from the reduction in administration resulting from a move to extend the life of explosives certificates from three years to five. However, it should be borne in mind that the costs of administering these certificates is not just the cost of the work involved in the initial grant or renewal but also in follow-up visits. The fees set for explosives certificates include assumptions about the average number and duration of interim visits during the life of the certificate. Moving to certificates with a duration of five years would mean that the number of interim visits would increase (eg if the visits were carried out annually there would be 5 visits during the life of a five-year certificate as opposed to three during the life of a 3-year certificate. These costs would be reflected in the fact that the fee for a five-year certificate would be more than the fee for a three-year certificate although that fee would nevertheless reflect the savings from reduced paperwork.

The detailed calculations are set out below under the heading Costs and Benefits.

Most of the 2550 acquire-only certificates granted each year are granted to re-enactors for use of powder at re-enactment events. There are a small number (around 100) private firms operating under acquire-only certificates. Given that other companies using explosives have to pay for their certificates, it is HSE's intention to introduce fees for these companies. These fees would reflect the true cost to the police of issuing these certificates. The cost saving to the public sector would be offset by an increase in costs to the private sector.

Increasing the period of validity for storage licences and registrations

The increase in the maximum life of the explosives certificate would also enable an increase in the maximum period of validity for MSER registrations and licences granted by the police to people who also hold an explosives certificate.

Again there would be a saving from reduced administration even though the fee for the five-year licence or registration would need to reflect the cost of a greater number of interim visits.

## Amendments to the Health and Safety Enforcing Authority Regulations

The amendments to the Health and Safety Enforcing Authority Regulations are for the following: First, they include enforcement by HSE of the storage of certain quantities of Ammonium Nitrate Blasting Intermediates. Second, the amendments complete a change made in 2007 which gave the enforcement responsibility to the authority with responsibility for enforcing MSER rather than the authority given general responsibility for enforcing health and safety legislation at that site (eg the HSE at a factory or construction site or the local authority at a warehouse). This involves changing the meaning of "local authority" in a provision to be consistent with existing use in the Enforcing Authority Regulations.

It is assumed that this measure will be cost-neutral.

## Amendments to the Manufacture and Storage of Explosives Regulations 2005

The majority of the amendments to MSER would be cost-neutral. This section picks out the major potential exceptions.

Amendment to provisions on the transfer of licences.

Under the present regulations, licensees can transfer a licence simply by notifying the licensing authority. Under the new proposal they would need to apply to the licensing authority to have the licence transferred. There would be some additional costs to both licensees and dutyholders. However, it is assumed that under the present arrangements, licensing authorities would exercise a degree of scrutiny of transfers notified to them and that in principle the proposal should not in practice substantially increase the amount of work involved.

## Information on the net mass of explosive articles

At present the regulations state that in the case of pyrotechnic articles, the net mass of explosive in the article is deemed to be one quarter of the gross weight unless the importer or supplier gives specific information about the net explosive content. This gives importers and suppliers the *option*, where the explosive makes up a lower proportion of the gross weight, of specifying the net mass of the explosive content. This is not required but the importer or other supplier has a commercial interest in providing this information in that in many cases it would enable them to make fewer transport journeys as a greater (gross) quantity could be delivered to customers – meaning that fewer deliveries are needed.

This however brings with it an incentive to understate the quantity contained in the item. The proposals therefore include a regulation which would create a duty to ensure, on a so far as is reasonably practicable basis, that the weight stated does not understate the actual mass of explosive. This regulation has been formulated in this way to avoid penalising an importer who intentionally errs on the side of caution to avoid understating the net content. It is assumed that this proposal is cost neutral in that dutyholders have the option of relying on the default assumption about the net mass as a proportion of the gross.

## Revocation of mining regulations

The proposals would revoke 224 sets of mining regulations. In most cases the mines have now closed so the measure will be cost-neutral (ie both costs and benefits will be zero). There are 23 cases where the mine is still open. There will be benefits in terms of greater flexibility and from the fact that owners of groups of mines operating under these regulations will be able to operate within the same regulatory framework across all of these mines. However, because of the small

number of mines involved, and the fact that the benefits are likely to be fairly small, we have not sought to estimate those benefits.

#### **COSTS AND BENEFITS**

We have not rounded the figures given below, but it is important to remember that these are estimates.

#### **Benefits**

## Key assumptions and sensitivities -

Assumed hourly rate for police staff:

Explosives Liaison Officer £50/hour

Administration Officer £22/hour

The numbers of sites are estimated as follows:

Number of licensed stores	250
Number of registered stores	350
Number of HSE-licensed sites	100
Number of acquire-only certificates	2500
Number of Acquire and Keep certificates	6500

These estimates are based on information provided by the Association of Chief Police Officers.

## Benefit from move to 5-year acquire-only certificate

This proposal will reduce the costs of administering the certificates for the remaining holders of acquire-only certificates.

#### Five-year acquire-only certificates

Current cost to police of issuing certificate (per certificate)	£61
Total annual saving from move to issue every 5 years	£12,154
Assumed cost of 5-year acquire-only	£161
Additional annual cost to dutyholders	£4,019
Net annual benefit	£8,135

## **Assumptions**

The cost of issuing these certificates is based on the following assumptions

	Annual certificate	Five-year certificate
ELO time	1 hour	3 hours
Administrator time	30 minutes	30 minutes

# Benefit from moving to 5-year acquire-and-keep explosives certificates

## Five year acquire-and-keep certificates

Cost of 3-year acquire-and-keep for person with registered store	£136
Cost of 3-year acquire-and-keep for person with licensed store	£161
Cost of 5-year acquire-and-keep for person with registered store	£186
Cost of 5-year acquire-and-keep for person with licensed store	£211
Cost of 3- year acquire-and-keep for a site licensed by HSE	£211
Cost of 5-year acquire-and-keep for a site licensed by HSE	£261
Annual saving over 15 years for a site with a registration	£8
Annual saving over 15 years for a site with a licence	£11
Annual saving over 15 years for a site with an HSE licence	£18
Total annual saving	£7,839

## **Assumptions**

As noted above, the move to increasing the maximum life of the explosive certificates would also enable an increase in the life of the registration or licence granted by the police under MSER (HSE licences are granted for an indefinite period).

We have assumed that the total numbers of certificate holders affected by this proposal is 700 comprised of:

350 police-registered stores

250 police-licensed stores

100 HSE-licensed stores

We have calculated the savings over a period of 15 years by deducting the cost of three 5-year certificates from the cost of five 3-year certificates.

The unit costs for the various type of certificate have been estimated using the following assumptions about the amount of time involved for administration and interim visits

3-year acquire-and-keep for person with registered store	ELO time	2.5 hours
	Admin time	30 minutes
3-year acquire-and-keep for person with licensed store	ELO time	3 hours
	Admin time	30 minutes
5-year acquire-and-keep for person with registered		
store	ELO time	3.5 hours
	Admin time	30 minutes
5-year acquire-and-keep for person with licensed store	ELO time	4 hours
5-year acquire-and-keep for person with licensed store	Admin time	30 minutes
	Admir and	
3- year acquire-and-keep for a site licensed by HSE	ELO time	4 hours
	Admin time	30 minutes
E year appuire and keep for a cita licensed by USE	FLO time	E hours
5-year acquire-and-keep for a site licensed by HSE	ELO time Admin time	5 hours 30 minutes
	,	33

# Benefit from moving to 5-year registrations and storage licences

We have calculated the savings from this proposal using the same method and assumptions.

## Increase maximum period of validity from 3 to 5 years

Total annual savings	£4,190
Annual saving over 15 years for a site with a licence	£14
Annual saving over 15 years for a site with a registration	£6
Cost of 5-year renewal licence	£229
Cost of 5-year renewal registration	£129
Cost of renewal licence for 3 years	£179
Cost of renewal registration for 3 years	£94

The estimated costs for the licences/registrations are based on the following time estimates:

Cost of renewal registration for 3 years	ELO time Admin time	1 hour 48 minutes 12 minutes
Cost of renewal licence for 3 years	ELO time Admin time	3.5 hours 12 minutes
Cost of 5-year renewal registration	ELO time Admin time	2.5 hours 12 minutes
Cost of 5-year renewal licence	ELO time Admin time	4.5 hours 12 minutes

Please note that these are the estimated times for renewals. More time is required for the initial grant of the licence or registration; however this difference has been ignored.

## Summary table

## **Annual Benefits (not discounted)**

Total	£20,164
Increase in duration of MSER registrations and licences	£4,190
Increase in duration of acquire-and-keep certificates	£7,839
Increase in duration of acquire-only-certificates	£8,135

## Discounted costs and benefits

Total discounted benefits (over 30 years)	£383,837
Total costs	0

# **Competition analysis**

The markets involved are:

- blasting explosives;
- fireworks;
- the extractive industries.

The proposals will not increase entry costs (or exit) costs – while 5 year explosives certificates and licences and registrations will be available, it will be open to firms to apply for a shorter period.

The proposals will not favour or disadvantage any firm or type of firm or affect their ability to compete with others in the same market.

## **Small firms**

It is not anticipated that the proposals will have any disproportionate impact on small firms – if anything, in so far as the proposals will reduce paperwork they may benefit small firms.

# **Specific Impact Tests: Checklist**

Use the table below to demonstrate how broadly you have considered the potential impacts of your policy options.

Ensure that the results of any tests that impact on the cost-benefit analysis are contained within the main evidence base; other results may be annexed.

Type of testing undertaken	Results in Evidence Base?	Results annexed?
Competition Assessment	Yes	Yes
Small Firms Impact Test	Yes	Yes
Legal Aid	Yes	Yes
Sustainable Development	Yes	Yes
Carbon Assessment	Yes	Yes
Other Environment	Yes	Yes
Health Impact Assessment	Yes	Yes
Race Equality	Yes	Yes
Disability Equality	Yes	Yes
Gender Equality	Yes	Yes
Human Rights	Yes	Yes
Rural Proofing	Yes	Yes

# **Annexes**

# Competition -

There are no implications for competition

## **Small Firms Impact Test –**

The proposals will have no disproportionate effect on small firms

## Legal Aid

Not applicable – the proposals do not create new criminal sanctions or civil penalties

## Sustainable development

The proposals have no implications for sustainable development.

# **Environmental Impact**

The policy will not:

- lead to a change in the emission of greenhouse gases;
- be vulnerable to the predicted effects of climate change;
- impact significantly on air quality;
- involve a material change to the appearance pf the landscape or townscape;
- change either the degree of water pollution or levels of abstraction of water or exposure to flood risk;
- disturb or enhance habitat or wildlife;
- affect the number of people exposed to noise or the levels to which they are exposed

## **Health Impact Assessment**

The policy will have no significant impact on human health by virtue of its effects on the following wider determinants of health: income; crime; environment; transport; housing; education; employment; agriculture; or social cohesion

The policy will have no significant impact on any of the following lifestyle related variables: physical activity; diet; smoking, drugs, or alcohol use; sexual behaviour; accidents and stress at home or work

The policy will not impact on any of the variables that influence the probability of an individual becoming more or less healthy.

The policy will not result in a significant demand on any of the following health and social care services: primary care; community services; hospital care; need for medicines; accident or emergency attendances; social services; a health protection and preparedness response; likely contacts with health and social service provision.

## **Race Equality Impact Assessment**

The consequences of the policy will not differ according to people's racial group, for example, because they have particular needs, experiences or priorities?

There is no reason to believe that people could be affected differently by the proposed policy, according to their racial group, for example in terms of access to a service, or the ability to take advantage of proposed opportunities.

There is no evidence that any part of the proposed policy could discriminate unlawfully, directly or indirectly, against people from some racial groups.

There is no evidence that people from some racial groups may have different expectations of the policy in question.

The proposed policy is unlikely to affect relations between certain racial groups, for example because it is seen as favouring a particular group or denying opportunities to another.

The proposed policy likely to damage relations between any particular racial group (or groups) and HSE.

The policy is not relevant to the race equality duty.

## Carbon assessment -

The proposals have no significant impact on emissions of greenhouse gases

## **Disability Impact Assessment**

This policy has no impact on disability equality.

## **Gender Impact Assessment**

The proposals will not affect man and women differently, or have any impact positive or negative on life chances or on gender stereotyping.

## Human Rights -

The proposals will not engage with anyone's convention rights.

## Rural proofing

The proposals will not have any significant differential impact in rural areas