What is the problem under consideration? Why is government intervention necessary?
The regulations are intended to correct an omission in the Manufacture and Storage of Explosives Regulations 2005 (SI 2005/1082).

What are the policy objectives and the intended effects?
The intention when the regulations were drafted was to give enforcement responsibilities to the metropolitan county fire and rescue authorities and in other areas outside London to give them to the county council or unitary authority. However, the words 'metropolitan county' were omitted from the definition of local authority with the effect that the regulations gave enforcement and licensing responsibilities to fire and rescue authorities including combined fire and rescue authorities. The amendment is intended to give effect to the original policy decision.

What policy options have been considered? Please justify any preferred option.
The other options would be for the combined fire and rescue authorities to undertake the enforcement and licensing functions under the regulations themselves, or for them to arrange for the relevant local authorities to carry out the work on their behalf. This option would bring with it additional one-off and continuing costs. It would also not address the issue of licences and registrations granted in the affected areas which are invalid. Holders of these licences would be forced to reapply for their licences and registrations with the additional costs this would involve.

When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects?
We intend to review the original regulations in 2010.

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:
Bill McKenzie

Date: 6 September 2007
Summary: Analysis & Evidence

<table>
<thead>
<tr>
<th>Policy Option: final proposal</th>
<th>Description: Costs and benefits of the amending regulations and supplementary provisions</th>
</tr>
</thead>
</table>

### ANNUAL COSTS

<table>
<thead>
<tr>
<th>Description and scale of key monetised costs by 'main affected groups'</th>
</tr>
</thead>
<tbody>
<tr>
<td>The amending regulations are simply to amend an omission in the existing regulations.</td>
</tr>
</tbody>
</table>

#### Costs

<table>
<thead>
<tr>
<th>One-off (Transition) Yrs</th>
<th>£ 0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Annual Cost (excluding one-off)</td>
<td>£ 0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Cost (PV)</th>
<th>£ 0</th>
</tr>
</thead>
</table>

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

### ANNUAL BENEFITS

<table>
<thead>
<tr>
<th>Description and scale of key monetised benefits by 'main affected groups'</th>
</tr>
</thead>
</table>

#### Benefits

<table>
<thead>
<tr>
<th>One-off</th>
<th>£ 0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Annual Benefit (excluding one-off)</td>
<td>£ 0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Benefit (PV)</th>
<th>£ 0</th>
</tr>
</thead>
</table>

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

### Key Assumptions/Sensitivities/Risks

**Price Base**

<table>
<thead>
<tr>
<th>Year</th>
<th>Time Period Years</th>
<th>Net Benefit Range (NPV)</th>
<th>NET BENEFIT (NPV Best estimate)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- What is the geographic coverage of the policy/option? Great Britain
- On what date will the policy be implemented? 1 October 2007
- Which organisation(s) will enforce the policy? Local authorities
- What is the total annual cost of enforcement for these organisations? £ no additional
- 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 of £ 0
- Decrease of £ 0
- Net Impact £ 0

**Key:**
- Annual costs and benefits: Constant Prices
- (Net) Present Value

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It was agreed, after consultation with the local authority associations and other stakeholders, that the Manufacture and Storage of Explosives Regulations (MSER) should retain the mix of enforcement authorities which had existed under the old Explosives Act 1875 regime. As a result, enforcement responsibility was left with the fire and civil defence authorities in the metropolitan counties. In other areas of England, outside London, the enforcement and licensing responsibilities were allocated to the county councils where these still existed, or district councils in areas where they had taken over the functions of county councils following reorganisation of local government. (In Wales and Scotland there is only one tier of local government).

An error in the definition of local authority has meant that in about 60 areas of England, the enforcement responsibilities were allocated to the fire and rescue authority rather than to the relevant local authority. This error has only recently come to light and in the period since MSER came into force the local authorities in these areas have been carrying out the functions which they believed they held – the functions which it had been intended they should discharge.

The amending regulations will correct the original error. They will not therefore result in additional burdens either for local authorities or for stakeholders, but simply ensure that local authorities have the powers to carry out work they have already been doing.
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.

<table>
<thead>
<tr>
<th>Type of testing undertaken</th>
<th>Results in Evidence Base?</th>
<th>Results annexed?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competition Assessment</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Small Firms Impact Test</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Legal Aid</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Sustainable Development</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Carbon Assessment</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Other Environment</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Health Impact Assessment</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Race Equality</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Disability Equality</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Gender Equality</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Human Rights</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Rural Proofing</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Competition –
There are no implications for competition

Small Firms Impact Test –
The proposals create no costs or burdens for 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 of 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