

# Fire Safety in Scotland

DRAFT REGULATORY IMPACT ASSESSMENT



safer  
scotland  
SCOTTISH EXECUTIVE

# **Fire Safety in Scotland**

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# **FIRE SAFETY IN SCOTLAND**

## **DRAFT REGULATORY IMPACT ASSESSMENT**

### **Title of proposal**

1. Fire Safety (Scotland) Regulations 2006

### **Objectives**

2. The objectives of the regulations are to contribute to the overall aim of reducing avoidable fires, and consequently death, injury and loss of property by :
  - creating a single regime applying to all premises, with the exception of private dwellings, which can be better understood and administered by businesses and the relevant enforcing authorities;
  - creating a regime clearly based on risk assessment and fire prevention and mitigation measures; and
  - ensuring that fire safety facilities and equipment are maintained.

### **Background**

3. Existing fire safety legislation has developed in a piecemeal fashion with the result that it is scattered over many pieces of legislation. At present, many non-domestic premises are subject to:

- the Fire Precautions Act 1971 – a regime focussing on measures to ensure that occupants can evacuate the premises safely. It is based around inspection and certification; and
- the Fire Precautions (Workplace) Regulations 1997 (as amended) – which makes an employer responsible for assessing fire risks and taking reasonable precautions.

4. Some workplaces are also subject to the Fire Certificate (Special Premises) Regulations 1976. In addition, a number of other regimes encompass fire within their wider application. Examples are:

- Liquor licensing under the Licensing (Scotland) Act 1976; and
- Care service registration under the Regulation of Care (Scotland) Act 2001

5. The existence of different regimes, each with a very different focus, is confusing for all who have to deal with them. This impacts on compliance, because employers and others cannot easily understand what is required of them and it makes administration and enforcement unnecessarily complex.

6. The Fire Safety (Scotland) Regulations 2006 will apply in Scotland. Separate legislation has been made for England and Wales: the Regulatory Reform (Fire Safety) Order 2005.

## **Risks**

7. Without reform of fire safety legislation, the risk is that there will be continued confusion among businesses and other organisations with regard to their responsibilities which could lead to non-compliance with fire safety legislation; contribute to business failure; present a disincentive to start-up (especially for small businesses) for those seeking to comply with the law.

## **Options**

8. Three options have been identified:

8.1 Option 1: do nothing – continue with the existing legislative framework which comprises the two main pieces of specific fire safety legislation - the Fire Precautions Act 1971 and the Fire Precautions (Workplace) Regulations 1997 as amended - along with other regimes.

8.2 Option 2: limited reform - remove the overlapping regimes which apply by virtue of the Fire Precautions Act 1971 and the Fire Precautions (Workplace) Regulations 1997. This could be done by repealing the Fire Precautions Act 1971 and replacing the Fire Precautions Workplace (Regulations) 1997 with legislation which would provide a single risk based fire safety regime. However, this option would still leave some premises with multiple fire safety regimes as a result of other legislation with fire safety provisions.

8.3 Option 3: full rationalisation of fire safety legislation including fire safety provisions in other legislation where possible, by means of new primary legislation and associated subordinate legislation, along with

- clarification of the protection required in respect of premises operated by the self-employed, the voluntary sector and charities where fire protection may currently only be considered within wider duties required by health and safety legislation;
- provision for enforcing authorities, in most cases the fire and rescue authorities and joint fire and rescue boards, to take action directly against those who have failed to comply with their fire safety duties under the Act and related regulations; and
- provision for enforcing authorities to require the maintenance of measures provided for the protection of fire-fighters.

9. It is anticipated that very little of this will constitute a new burden - there will be some costs involved in familiarisation with the new arrangements but these should not be resource-intensive.

## Business sectors affected

10. With the exception of self employed people with no employees who work from their own home, all sectors of business (including the self-employed, the voluntary sector and charities) will be covered by the new single fire safety regime. The legislation will apply to workplaces with one or more employees but will not apply to private dwellings (with the exception of some maintenance requirements in respect of fire-fighting equipment located in the common areas of private dwellings). The legislation will, however, apply to houses licensed as Houses in Multiple Occupation and those subject to certain control orders or management control orders.

11. It is important to note that the existing Fire Precautions (Workplace) Regulations 1997 as amended, already provide for a risk assessment based approach to fire safety in virtually all places where people are employed to work. Accordingly, there is little by way of new burdens. Even in premises where people are not employed to work, under existing health and safety legislation there are already duties of care which require safety risks to be assessed, and this should include the assessment of risk from fire. So the operator of the premises should already be carrying out risk assessments which include fire risks. This mainly refers to:

- non-domestic premises used by self-employed people, and
- the voluntary sector where there are no employees (because all staff are volunteers).

## Issues of Equity and Fairness

12. The new fire safety legislation will enhance equity and fairness by applying a single unified regime to all employers for the first time.

13. The new legislation and related guidance and publicity campaign may mean that some employers who were previously unaware of their duties are now made aware of them, and consequently face costs in complying with fire safety requirements. However, these responsibilities would not be new, merely clarified, and therefore any costs incurred by the employers meeting their statutory responsibilities with regard to the protection of employees and the public, is considered to be a reasonable outlay for the protection of employees and the public.

## **Quantifying and Valuing Potential Benefits**

### Option 1

14. Option 1 continues with the existing legislative framework. This will have no perceived benefits and if ad hoc amendments and piecemeal revisions continued, this would make the various regimes even more complex and would risk reducing compliance further.

### Option 2

15. Option 2 is a limited reform, removing the requirement for fire certification and the associated costs, moving instead to a risk assessment regime. It will not fully rationalise all

fire safety related legislation and will leave some disadvantages as at option 1, duplication of effort and lack of clarity within the system.

### Option 3

16. Option 3 is a full rationalisation of all fire safety legislation. This has significant benefits over option 2 in terms of simplification, clarity and compliance. While it is anticipated that very little will arise in respect of new burdens, it is hoped that the new legislation will improve compliance as a result of the clarity achieved through rationalisation, the related publicity campaign and the guidance to be issued.

#### Removal of obligation to obtain a fire certificate

17. Under the Fire Precautions Act 1971, the owners or occupiers of premises are obliged to obtain a fire certificate if the premises are used in certain ways. A fire certificate must be obtained for:

- Hotels and boarding houses with sleeping accommodation (for staff or guests)
  - for more than 6 persons, or
  - any above the first floor, or
  - any below the ground floor.
- Factories, offices, shops or railway premises (including aggregation of numbers in different premises) with:
  - more than 20 persons at work at any one time; or
  - more than 10 persons at work at any one time elsewhere other than on the ground floor.
- Factories with highly flammable or explosive materials.

18. The fire certificate is prepared and issued by the fire and rescue authority/joint fire and rescue board (other than for Crown premises), once it has inspected the premises and is satisfied that the means of escape in case of fire; the means with which the building is provided for securing that the means of escape can be safely used at all times; the means for fighting fire; and the means for giving warning in case of fire, are such as may reasonably be required.

19. Data received from fire and rescue authorities and joint fire and rescue boards indicates that at the end of the financial year 2002/03, there were 24,650 fire certificates in force in Scotland. Over that year, 564 fire certificates were issued across the country. In addition to this, 1,840 fire certificates were amended or reissued over that period.

20. Each of the eight Scottish fire and rescue authorities and joint fire and rescue boards charge for the issuing, amending or replacing of fire certificates. Data from each authority reveals that they received £188,000 in income from issuing and amending fire certificates in 2002/03. They received £203,000 in 2001/02 and are estimated to have received £165,000 in 2003/04 and £108,000 in 2004/05. Therefore the average income over the period is £166,000 per year. If it is assumed that the average income in future follows this trend, removing the obligation for owners and occupiers to obtain fire certificates would result in **savings of £166,000 per year to owners and occupiers of premises. If we assume a ten year period**

**and discount the future benefits to obtain the net present value of those benefits<sup>1</sup>, this results in a net present benefit of £1,429,000 to owners/occupiers of premises.**

21. There will also be a saving to owners/occupiers of premises in terms of time. This represents a resource that can be directed towards other, more productive, uses. It is difficult to identify the precise length of time that owners/occupiers have to spend on completing the necessary procedures, as it can involve preparing plans, organising and attending meetings, showing fire and rescue service officers around the premises and so forth. It has therefore been assumed that the obligation to obtain a fire certificate requires a manager to work for between 8 hours (1 day) and 16 hours (2 days) in order to complete the necessary procedures in respect of a new issue or amended fire certificate. Given that a manager earns £22.83<sup>2</sup> per hour on average, each certificate incurs a resource cost of between £182.64 and £365.28 for the owners and occupiers of the premises. In total, removal of the obligation to obtain a fire certificate would **release resources of between £440,000 and £878,000 for the owners and occupiers of premises**, assuming that broadly the same number of certificates were issued and amended each year. **Over a ten year period, this results in a yield of potential benefits of between £3,787,000 and £7,558,000.** In total, the regulatory change should yield a benefit of between £5,216,000 and £8,986,000 to owners and occupiers of premises over a ten year period.

	Net Present Benefits to Owners/Occupiers
Removal of Obligations	+ £1,429,000
Time Savings	+ £3,787,000 to + £7,558,000
Total	+ £5,216,000 to + £8,986,000

### Savings in cost of fire

22. We estimate that the overall economic consequential cost of fire in Scotland is £85m (see Table 1 in the Annex). For the purposes of calculating potential savings as a result of simplified legislation and user-friendly guidance, we have used the Office of the Deputy Prime Minister's figure of £29,100<sup>3</sup> as the average economic consequential cost of fire to the commercial sector including property losses, fatalities, injuries and lost business. Although we are unable to forecast the reduction in fires and cost savings which might be delivered as a result of the legislative change, we have calculated **that a reduction in the number of fires of 1%, 5% and 10% would achieve annual savings of £0.83m, £4.3m and £8.3m respectively** (see Table 2 in the Annex). Over a ten year period and after discounting, there

<sup>1</sup> Discounting over a 10 year period is standard practice in evaluation. It allows for comparisons of future and current consumption by expressing costs and benefits in money from the same time period. A discount rate of 3.5 per cent is used, in accordance with the Treasury's Green Book. This rate reflects the long run growth rate of the UK economy, a measure of risk and individuals' preferences for current consumption.

<sup>2</sup> Labour cost figures are based on the average hourly earnings statistics for Scotland published in the New Earnings Survey for 2003 plus an allowance of 25% to account for superannuation and National Insurance contributions on the part of the employer.

<sup>3</sup> "Economic Cost of Fire, Estimates for 2000" ODPM, June 2003

would be a benefit of £7,747,000 if the number of fires had reduced by 1%; 37,013,000 if reduced by 5%; and £73,165,000 if reduced by 10%.

	Savings to owners/occupiers
Cost of fire	+£7,747,000 to +£73,165,000
Total	+£7,747,000 to +£73,165,000

23. However, the savings in terms of economic costs is only one part of the picture; statistics cannot reflect the costs of fire in terms of the emotional distress of victims, families, friends and communities where fire causes loss of property, trauma, injury or death.

24. There may also be wider impacts than those taken into account in calculating the cost of fire when, for example, a factory or office is destroyed and jobs are lost in a local community. Fires may also damage the natural or built environment and cause the loss of historic artefacts or rare habitats.

25. The negative impact of fire is much broader than can be conveyed by the economic cost alone.

26. The creation of a single regime will deliver much greater clarity about the responsibilities of employers, owners, occupiers and others exercising control of premises. This will be supported by a publicity campaign and a series of guidance documents and we hope that these measures should increase awareness and improve compliance.

#### Targeting of Resources

27. The new regime will also bring a resource saving to the fire and rescue authorities and joint fire and rescue boards, which could be reallocated to other areas of fire and rescue service work. On average across Scotland, it is estimated that officers spend one and a half hours completing the various inspections associated with fire certification (over 14,000 inspections were carried out in 2002/03, taking a total of almost 22,700 hours of officers' time). Given that responsible officers<sup>4</sup> will earn around £13.31 per hour on average, removing the obligation for owners and occupiers of premises to obtain fire certificates will **generate benefits of around £301,800 per year** for the service in Scotland. Over a ten year period and after discounting, there will be a benefit of £2,597,800.

	Net Present Benefits to Fire Service
Time Savings	+ £2,597,800
Total	+ £2,597,800

28. The move away from a system based on certification of prescribed classes or uses of building will give fire and rescue authorities and joint fire and rescue boards the freedom to develop their inspection programmes on the basis of risk. The Integrated Risk Management process is already well underway, the main objective of which is to improve community safety, reduce the risks of fire and achieve the most productive use of fire and rescue service resources. It is not anticipated that there will be any new staffing implications arising from the legislation: fire and rescue authorities and joint fire and rescue boards will have the

<sup>4</sup> Assumed to be a Station Officer, after 2 years in rank.

flexibility to use their staff as they best see fit having used the Integrated Risk Management approach when planning the provision of their service and their response to a range of emergencies. They will also be required to consult publicly on the production of Integrated Risk Management Plans. These plans will be based on local knowledge and expertise and improve service provision where it is needed the most, with the focus and priority on people rather than property.

#### Reduction in false alarms

29. Approximately a third of all false alarms in Scotland are the result of faulty apparatus. A reduction in the number of false alarms would not only reduce the costs to the fire and rescue service of responding to these calls and therefore freeing up resources for other work, but would reduce the costs of lost business and the disruption/nuisance element of false alarms to occupiers of, and neighbours to, the premises.

30. If the volume of false alarms could be reduced by 1%, 5%, or 10% the **annual savings would be £0.1m, £0.7m, £1.3m** respectively (see Table 3 in the Annex). Over a ten year period and after discounting, there would be a benefit of £861,000 if the number of false alarms had reduced by 1%; £6,025,000 if reduced by 5%; and £11,190,000 if reduced by 10%.

	Savings to the fire and rescue services
Reduction in false alarms	+£861,000 to +£11,190,000
Total	+£861,000 to +£11,190,000

31. These resources could then be better utilised within the fire and rescue service.

### **Potential Costs of the Proposed Legislation**

#### Costs of purchasing new guidance and familiarisation

32. Under the new legislation, responsibility for fire safety may be imposed on a number of individuals. Employers have a duty to ensure, so far as is reasonably practicable, the safety of their employees in respect of harm caused by fire in the workplace. Additionally, where a person has control of premises to any extent, they must carry out an assessment to identify fire safety risks to certain persons in the event of fire. A number of people may therefore have duties in respect of the same premises. In the case of multiple occupancy premises (such as shopping centres or commercial office buildings), responsibility may therefore be borne by employers (where there are employers), the occupier, the owner and any other person who to any extent exercises control over the premises in question. The new legislation will apply to the majority of premises which are not private dwellings and which are used or operated by employers, the self-employed and the voluntary sector. There will be a small number of exceptions (including certain means of transport, boreholes, agricultural land, mines and offshore installations).

33. However, it is assumed here that most of the persons having duties under Part 3 of the Fire (Scotland) Act 2005 operate in premises that are already covered by existing fire safety legislation. This makes it relatively unlikely that those who now bear the responsibility for fire safety will have had no contact with fire safety matters before. Employers should also be

familiar with their existing duties under the Fire Precautions (Workplace) Regulations 1997 as amended, and the fire precautions elements of the Management of Health and Safety at Work Regulations 1999.

34. Recent data (November 2003) shows that there are approximately 179,300 'units' in Scotland, with each unit being roughly analogous to a workplace. Fire safety will now become the responsibility of the employers and other persons in control of each workplace. These individuals will be required to familiarise themselves with their responsibilities. Guidance will be made available to assist them and this will be available online at no charge, or can be purchased at a cost of £12. It is also assumed that someone of managerial grade will take between one hour and one and a half hours to become familiarised with the new guidance, a resource cost of between £22.83 and £34.25 per unit. **It will therefore cost a person with fire safety duties between £22.83 and £46.25 to become familiar with their responsibilities.**

35. The aggregate impact of the need for these persons to obtain and familiarise themselves with the new guidance will vary depending on internet use and familiarisation time. This analysis identifies three possible scenarios for obtaining guidance. These are:

- All those with an internet connection download the document;
- All those with a high speed internet connection download the document; or
- No-one downloads the document – instead, all organisations purchase it.

36. These scenarios are then enhanced by consideration of varying familiarisation time. According to the Scottish E-business Survey for 2003, 74 per cent of all organisations have an internet connection, with 24 per cent of those having high speed connections. Assuming this holds for the 179,300 units previously identified, this means that approximately 132,700 units have internet connections<sup>5</sup>.

37. Under the first scenario, where all those with an internet connection download the guidance, the cost will range between £4,652,200 and £6,698,600. Under the second scenario, where only those with a more reliable high speed connection download the document, the cost will range between £5,910,700 and £7,957,100. Under the third scenario, where all persons having fire safety duties purchase the guidance, the cost will range between £6,244,100 and £8,290,600. It is important to recognise that costs and familiarisation time may be reduced in some cases, where large organisations will rework the guidance specifically for their managers and issue it across the organisation, or charge management teams with ensuring compliance in each of their branches. We also implicitly assume full take-up of the new guidance.

38. However, given the uncertainty as to how persons having fire safety duties will access the new guidance, a reasonable estimate is that the costs involved in obtaining and becoming familiar with the guidance will be in the range of between £4.6 million and £8 million. These costs will be incurred once by each person with fire safety duties. However, owing to turnover in these persons, it is likely that a relatively small proportion of new persons with fire safety duties will need to access the guidance each year. Consequently, there will be a cost stream associated with the guidance. Given that turnover in occupation is approximately

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<sup>5</sup> Within this number, 28,020 have high speed connections while 105,760 have slower (dial up) connections. 47,020 have no internet connection at all.

10 per cent per annum, **costs of between £460,000 and £800,000 will be incurred each year** by new persons with fire safety duties. However, these annual costs must be discounted to make them compatible with the cost in the first year. Over a ten year period, this regulatory change will lead to costs of between £8,191,000 and £14,598,000 for persons with fire safety duties. The bulk of these costs are one-offs.

	Net Present Cost to Persons with fire safety duties
Initial Costs of Purchasing and Familiarisation	- £4,600,000 to - £8,000,000
Annual Costs of Purchasing and Familiarisation	- £460,000 to - £800,000
Total (after discounting)	- £8,191,000 to - £14,598,000

39. It is important to recognise that some persons with fire safety duties may incur significant extra costs, on top of those involved in obtaining and becoming familiar with the guidance, as a result of non-compliance with existing fire safety legislation. **However, it should be noted that these compliance costs do not represent a new burden on employers.**

#### Loss of Income to Fire and Rescue Service

40. Under the proposed changes, the fire and rescue authority/joint fire and rescue board will lose the income it receives from fire certificates. This is precisely the amount that the owners and occupiers will save under the new legislation. **The loss of income will therefore be approximately £1,429,000.**

	Net Present Cost to Fire and Rescue Services
Loss of income from fire certificates	- £1,429,000
Total	- £1,429,000

#### Raising awareness, increasing compliance

41. Consolidation of fire safety requirements and responsibilities in respect of devolved matters into a single piece of primary legislation and associated subordinate legislation will provide clarification for employers, others who exercise control over premises, and employees. The extensive nature of the reform will require to be promoted within the relevant sectors and we propose to undertake a publicity campaign and to produce a series of guidance documents (aimed at specific business sectors e.g. Offices and Shops). These documents will explain the principles of the risk assessment approach to fire safety and assist those with responsibilities under the new legislation to understand them and undertake their duties. **We anticipate that £100,000 to £150,000 will be required for the Scottish Executive's campaign.**

	Net Present Cost to Scottish Executive
Cost of awareness campaign	- £100,000 to -£150,000
Total	- £100,000 to -£150,000

### **Micro Business (i.e. less than 10 employees) Test/Small Firms' (i.e. less than 50 employees) Impact Test**

42. Small businesses should already be familiar with fire safety legislation as they are currently required to comply with the Fire Precautions (Workplace) Regulations 1997 as amended. The requirements of the new legislation should be no more onerous than those required under the existing regime and should therefore not constitute a new burden to these businesses.

43. However, it is anticipated that some micro businesses which currently do not have any employees and therefore do not currently have any statutory responsibilities in respect of fire safety, will have some responsibilities under the new regime. Recent statistics published by the Scottish Executive<sup>6</sup> estimate that in November 2004, there were 176,225 businesses in Scotland without any employees. The last membership survey carried out by the Federation of Small Businesses (Lifting the Barriers to Growth 2004) suggested that 24% of its members' businesses are run from home (and will therefore not be subject to the new regime). This would suggest that more than 132,000 micro businesses are not currently required to comply with fire safety legislation but will be subject to the new fire safety regime.

44. However, these figures will require further investigation as they are very much an initial estimate at this stage of the number of businesses for whom the proposed fire safety regime will be a new burden. Discussions will continue with the Federation of Small Businesses during the consultation period in an attempt to refine these figures and establish the extent of the new burden.

### **Competition Assessment**

45. We do not anticipate that the proposed legislation will have any impact on competition in the broader business sector. The legislation should assist in removing confusion and uncertainty over legal requirements. It should also have no effect on standards of manufacture of fire related safety products or the competition within this market.

46. However, it may assist in opening up competition in the services sector through the possibility of employment of competent persons to fulfil obligations not hitherto complied with, including the carrying out of risk assessments and the installation, maintenance and testing of fire safety measures.

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<sup>6</sup>Scottish Executive National Statistics Publication: Scottish Corporate Sector Statistics 16 June 2005

## **Enforcement and Sanctions**

### Fire safety

47. Fire and rescue authorities and joint fire and rescue boards will be the principal enforcing authority in respect of the new fire safety legislation, their powers are contained in the Fire (Scotland) Act 2005.

48. There are a number of other enforcing authorities including the Health and Safety Executive (in respect of some high risk premises) and the Fire Service maintained by the Secretary of State for Defence (in respect of premises on military bases). In addition Scottish Ministers will be empowered to modify the enforcing authorities appointed in respect of particular premises.

49. Enforcing authorities will be expected to enforce the law in accordance with the Cabinet Office's Enforcement Concordat. The regime is based on the principle that employers and people responsible for activities giving rise to risk have the responsibility for the fire safety of their premises and the people who use them.

50. It is expected that most minor breaches will be dealt with informally, for example with verbal or written advice. The enforcing authority will deal with more serious breaches by the issuing of an enforcement notice, specifying why and how the authority feels that the person with fire safety duties has failed to comply and requiring action to be taken to rectify the breach of the law.

51. Other powers are available to enforcing authorities. An 'alterations notice' can be served in respect of premises and this requires that any proposed alteration that might increase risk are reported to the authority. 'Prohibition notices' can be issued to restrict or prohibit the use of premises if it is considered that there is a serious risk of death or injury.

## **Monitoring and review**

52. We intend to track the operation of the new legislation principally through monitoring and evaluation of performance statistics and data collection from fire and rescue authorities and joint fire and rescue boards.

## Summary

53. It is now possible to make some comparison of the stream of benefits and costs of the legislative change, as the benefits to persons with fire safety duties and the benefits to the fire and rescue authorities and joint fire and rescue boards can be set against costs incurred by the owners/occupiers. **The benefits and costs are discounted over a 10 year period, and are set out as follows:**

	Owners/Occupiers	New legislation dutyholders	Fire and rescue services	Scottish Executive
Removal of Obligations	+ £1,429,000			
Time Savings	+ £3,787,000 to + £7,558,000		+ £2,597,800	
Savings in cost of fire	+£7,747,000 to +£73,165,000			
Savings in reduction of false alarms			+£861,000 to +£11,190,000	
<b>Total Benefits</b>	<b>+ £12,963,000 to +£82,152,000</b>		<b>+ £3,458,800 to + £13,787,800</b>	
Costs of Purchasing & Familiarisation		- £8,191,000 to - £14,598,000		
Loss of Income			- £1,429,000	
Raising awareness				-£100,000 to - £150,000
<b>Total Costs</b>		<b>- £8,191,000 to - £14,598,000</b>	<b>-£1,429,000</b>	<b>-£100,000 to - £150,000</b>
<b>Net Balance</b>	<b>+ £12,963,000 to +£82,152,000</b>	<b>- £8,191,000 to - £14,598,000</b>	<b>+ £2,029,800 to + £12,358,800</b>	<b>-£100,000 to - £150,000</b>

54. Overall, the data suggests that the new legislation will have an impact **ranging between a net benefit of £244,800 and a net benefit of £86,219,800**. The change in regulation is of benefit to both the fire and rescue authorities and joint fire and rescue boards and to those having duties in respect of premises. However, it represents a cost to the latter group of persons. It is possible that this change may impact on rental incomes, but it is outwith the scope of this analysis to assess that.

55. The scale of the impact is sensitive to the assumptions made in the analysis. It is assumed that the legislative change will be able to ensure full compliance with new and existing regulations among those with fire safety duties in respect of premises. However, this may be unrealistic, given that there will be levels of non-compliance.

**Table 1 - Consequential cost of fire. Scotland. 2002.**

Premises type	Number of Fires in 2002 <sup>7</sup>	Average Consequential Cost per fire (2000) <sup>8</sup> (£)	Total average Consequential Cost (£ million)
Agricultural	190	28,900	5.5
Construction Industry	40	30,700	1.2
Other Industrial	310	27,400	8.5
Retail distribution	490	29,100	14.3
Hotels, boarding houses, hostels etc	310	31,900	9.9
Restaurants, cafes, public houses etc	260	27,200	7.1
Education	160	17,400	2.8
Hospitals	260	30,200	7.9
Recreational and other cultural	300	23,800	7.1
Other	720	28,700	20.7
Totals	3040		85

<sup>7</sup> Fire Statistics Scotland, 2002: Scottish Executive Statistical Bulletin, April 2004

<sup>8</sup> The Economic Cost of Fire: Estimates for 2000: ODPM June 2003

**Table 2 - Cost savings of reducing the number of fires. Scotland. 2002**

Premises type	Average cost saving of a reduction in the number of fires		
	(£m)		
	1%	5%	10%
Agricultural	0.05	0.3	0.5
Construction Industry	0.01	0.1	0.1
Other Industrial	0.08	0.4	0.8
Retail distribution	0.14	0.7	1.4
Hotels, boarding houses, hostels etc	0.1	0.5	1.0
Restaurants, cafes, public houses etc	0.07	0.4	0.7
Education	0.03	0.1	0.3
Hospitals	0.08	0.4	0.8
Recreational and other cultural	0.07	0.4	0.7
Other	0.2	1.0	2.0
Totals	0.83	4.3	8.3

**Table 3 – False alarms due to faulty apparatus. Scotland. 2001 and 2002**

	2001		2002		
	Levels <sup>9</sup>	Total cost (£m)	Levels <sup>10</sup>	Total cost (£m)	
	30,940	12.9	31,282	12.9	
Reduction					
1%	30,631	12.8	30,969	12.8	
5%	29,393	12.3	29,718	12.3	
10%	27,846	11.6	28,154	11.6	
Benefits		£m		£m	2 year average (£m)
1%	309	0.1	313	0.1	0.1
5%	1,547	0.6	1,564	0.7	0.7
10%	3,094	1.3	3,128	1.3	1.3

<sup>9</sup> Fire Statistics Scotland 2001: Scottish Executive Statistical Bulletin, May 2003

<sup>10</sup> Fire Statistics Scotland 2002: Scottish Executive Statistical Bulletin April 2004



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