

Short Impact Assessment for HSG6 and L117

<p>Problem under consideration:</p>	<p>L117 <i>Rider-operated lift trucks: Operator training</i> contains an Approved Code of Practice (ACOP) and guidance regarding the requirement for fork lift truck operators to have undergone basic training.</p> <p>HSG6 <i>Safety in working with lift trucks</i> is HSE guidance for those with direct responsibility for the safe operation of forklift trucks.</p> <p>The current L117 was first produced as COP26 in 1988 and revised in line with PUWER as L117 in 1999. HSG6 was first produced in 1993 and last revised in 2000. The language of the guidance within the L117 document is now considered outdated and contains little clear reference to the need for operators to maintain competence or to undertake any continuing professional development. HSG6 contains out-of-date information and does not include guidance on new types of truck which have been developed over the last 10 years.</p> <p>Furthermore, forklift trucks continue to be the most common form of vehicle involved in workplace transport injuries to workers. At present, forklift truck incidents account for nearly 27% of all workplace transport incidents and the figures remain persistently high, with an average of 2000 reported injuries each year over the period 2001 - 2007, including an average 9 fatalities a year.</p> <p>In February 2010, HSE held a stakeholder event for over 100 people to discuss the way forward for L117 in particular. The emerging themes, which will be addressed in the proposals for revised guidance, were for:</p> <ul style="list-style-type: none"> • Clarified and updated guidance, with clearer definitions of the types of training, e.g. refresher training, conversion training, familiarisation training. • Better communication and publicity to raise awareness of L117 and the training requirements, particularly to small businesses. • HSE should produce a simple leaflet for employers about fork lift trucks (FLT), aimed at small businesses, and a pocket card for operators. • More training for managers and supervisors. • Manufacturers need to remind employers of their duty to provide training. <p>Following the event, all attendees were e-mailed to ask what they thought about combining L117 and HSG6 and all who responded were overwhelmingly positive.</p>
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	<p>To support the strategy goals of creating healthier safer workplaces and providing better support for SMEs, HSE must consider how we can help businesses improve their management of the risks relating to workplace transport and in particular the use of forklift trucks.</p> <p>There is believed to be imperfect information regarding the dangers involved with FLT's and that this has resulted in poor levels of training. This information failure provides the economic rationale for this intervention.</p>
<p>Objectives:</p>	<p>To reduce injuries and fatalities by raising industry awareness of the dangers associated with FLT's, increasing training and eventually reducing the number of reported incidents.</p> <p>Any revised publication should be more comprehensible, with greater use of imagery and simplified language, which will make it easier to read. The objective is to make it easier for firms to understand and digest the information that is being presented to them, resulting in more firms following the guidance.</p>
<p>Options:</p>	<p>Based on consultation findings, HSE see strong justification for improving the existing guidance and have considered various options.</p> <p>Option 1: Do nothing (<i>continue with the existing guidance in place with no impact on costs or benefits</i>)</p> <p>Option 2: Basic changes to both documents plus new leaflet and pocket card.</p> <p>The changes would simply involve updating out of date contact details and changing any references deemed to be no longer appropriate etc.</p> <p>Option 3: Combine and update both books plus new leaflet and pocket card.</p> <p>This would combine, simplify and update two existing priced publications (HSG6 and L117) into a 'one-stop shop' for FLT information, supported by a short leaflet for employers and a pocket card for operators. There would be no change to the ACoP text, but the guidance on training and competence will be expanded, without any additional requirements for firms. There will be a clear distinction between which parts of the new document are ACoP, and which are guidance to avoid any confusion over the legal requirements for firms. This would be achieved by emboldening the ACoP text and highlighting it with a box down the side of the relevant text. The new document would also be updated to include the workplace transport machines that are currently used by industry.</p>

	<p>The operator pocket card would alert drivers to the dangers of driving FLT's, particularly without being properly trained. No other HSE information has directly targeted drivers of FLT's. The employer leaflet would raise the profile of FLT safe use and training for those who would not normally buy HSE guidance, particularly SMEs.</p> <p>The aim is to produce hard copies of the updated guidance and promote these through stakeholder contacts. There would also be electronic copies available on the HSE website. This is subject to gaining approval for publication of hard copies.</p> <p>As a result of the consultation with duty holders, and in an attempt to minimise the reputational damage to HSE, <i>option 3 is the preferred option.</i></p>
<p>Calculation of costs:</p>	<p>Option 1: Do nothing – <i>continue with the current guidance in place</i></p> <p>This would have no impact on the costs. However, consideration should be given to the reputational impact to HSE of keeping out-of-date material in the public domain, especially given that demand for this guidance remains high (in 2009 1539 hard copies of HSG6 and 1286 copies of L117 were sold).</p> <p>Option 2: Basic changes to both documents plus a new 16 page leaflet and pocket card.</p> <p>An Impact Assessment carried out in 2008 for a previous project concerning new guidance for forklift trucks (TRIM: 2009/68809) suggests that in 1998 there were 33,000 firms with FLT's and 600,000 operators (operating 168,000 FLT's¹) spread evenly between small, medium and large firms. This would give a pool of 400,000 operators in SMEs who might spend time familiarising themselves with the training card. The RIA also suggests that 25,000 middle managers could spend time reading the new guidance. We assume that these figures have remained largely constant in the last 2 years (although noting that there is no source provided for them in that document).</p> <p>Costs would arise for firms in terms of the time taken to familiarise themselves with the new guidance. It is expected that the leaflet will be read by at most 25,000 middle managers, at a full economic cost of £29.22 per hour. We would not expect every manager to read the leaflet, so the figures provided are likely to be over estimates. Given that the leaflet shall take approximately 5 minutes to read, the total familiarisation cost will be of no more than £60 thousand.</p> <p>In addition to this, we anticipate that 400,000 FLT operators in small and medium sized enterprises will take 2 minutes to read the new pocketcard. This is done at a full economic cost of £11.71² per hour (uprated by 30%) giving a total familiarisation cost of £156 thousand. Again, this is likely to be an over estimate.</p>

¹ Data provided to HSE by British Industrial Truck Association

² ASHE 2009 SOC 4 digit

Given that the new guidance is not changed dramatically, we would not expect anyone currently using it to purchase the updated version. Therefore, there would be no further costs to those currently using the guidance. There may be a cost saving for those firms who come to the guidance for the first time, as the new guidance would be easier to understand and digest. However, given that we are not able to estimate any time saved as a result of this, cost savings are impossible to calculate.

There would be a cost to HSE from updating the two documents. We do not know how long this would take, and therefore have not been able to quantify this.

This option would mean that the publications would not include helpful new information (eg about new types of lift trucks) which has been identified by the internal consultation exercise. This could have a negative impact on HSE's reputation. The new leaflet and pocket card would be useful additions and would target SMEs in particular, but the core priced guidance would be incomplete.

Note: According to the latest version (2.3) of the One-In, One-Out (OIOO) methodology, changes in regulations with impact on business or the third sector are in scope. Given the definition of regulation in that document, HSE's ACOPs count as regulation (this has been confirmed with BRE). Making changes to L117 would therefore technically put this intervention in scope for OIOO.

Option 3: Combine and update both books plus a new 16 page leaflet and pocket card.

L117 currently takes approximately 60 minutes to read and digest. In 2009, 1,286 copies were sold. Assuming each was read in full by a production manager at a full economic cost of £29.22³ per hour (uprated by 30%), this gives a total familiarisation cost of £38 thousand per year.

HSG6 currently takes on average 90 minutes to read and digest. In 2009, 1539 copies of HSG6 were sold. Assuming each was read in full by a production manager at a full economic cost of £29.22 per hour, this gives a total familiarisation cost of £67 thousand per year.

The information in the new publication would be presented in a more user-friendly format, using more bullet points, simpler language and more illustrations, as well as reducing duplication in the two books. It should take less time to read and digest than the original documents.

If we assume that sales of HSG6 and L117 would have continued at a similar pace and that some 1400 managers would have purchased it

³ ASHE 2009 SOC 4 digit

⁴ HSE Global Ready Reckoner

	<p>in the first year (taking an average of the sales figures for L117 and HSG6), then being able to purchase the combined and more user-friendly version, which would take less time to read, would lead to a cost savings of approximately £40 thousand per year.</p> <p>There shall be a familiarisation cost for managers reading the new leaflet. This is expected to be at most £60 thousand, as calculated above. There shall also be a familiarisation cost for FLT drivers reading the pocketcard. This is calculated to be £156 thousand (as in option 2).</p> <p>There would be a cost to HSE from time spent updating this guidance, as well as from steering it through consultation. It is estimated that the total time spent on the project would be 20 days of a Band 4 Administrator at a full economic cost of £377⁴ per day. This gives a total cost of £7,540.</p> <p>As this option requires no changes to the ACoP text, it is not in scope for OIOO.</p>
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<p>Benefits (quantified where possible):</p>	<p>Option 1: Do nothing</p> <p>This option would have no impact on benefits</p> <p>Option 2: Reprint with basic changes to existing HSG6 and L117 plus a new 16 page leaflet and pocketcard.</p> <p>The existence of the new leaflet and pocketcard would be expected to lead to increase compliance with health and safety requirements, and thus to better health and safety outcomes. However, it should be noted that increased compliance would also be expected to have a cost to businesses from taking remedial actions.</p> <p>Given that we cannot identify specific health and safety effects resulting from each intervention, we cannot quantify the benefits of this option.</p> <p>Option 3: Combine and update HSG6 and L117 in addition to a new 16 page leaflet and pocketcard.</p> <p>This option would remove an out of date publication from the public domain, minimising the risk of reputational damage to HSE. Managers would be able to download more detailed guidance for free in one document rather than two. The employer leaflet and pocket guide would be more user-friendly than existing guidance and should improve readers' understanding and the quality of their own safety operations. As a result, it is expected that there would be health and safety benefits that arise due to improved clarity of the information provided leading to increased compliance with requirements. However, as before, it should be noted that increased compliance</p>
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	<p>would also be expected to have a cost to businesses from taking remedial actions.</p> <p>As it has not been possible to measure current compliance or any specific expected health and safety effects resulting from the updated guidance, it is not possible to quantify these benefits.</p>
Consultation:	An internal consultation is now complete and the comments received will be analysed over the coming weeks. HSE aim to carry out a wider informal consultation on the combined and updated guidance in early 2011, as well as circulating drafts of the new leaflet and pocket card.
Chief Economist's comments:	I am satisfied that appropriate analysis has been used for this short impact assessment, and that both the costs and the benefits of the options considered are relatively small.
Recommendation:	That based on proportionality, a full impact assessment is not produced.

Signed:.....Alan Spence..... **Date:** ...8 November 2010.....
HSE's Chief Economist