

INTERDEPARTMENTAL LIAISON GROUP ON RISK ASSESSMENT

PRIORITISATION OF RISK REGULATORY ACTIVITY - ACCOUNTING FOR SOCIETAL CONCERNS

A Paper by The Secretariat

Summary

This paper discusses the factors that HSE believes need to be considered when prioritising risk regulatory activity on the basis of societal concerns, and how such factors might be evaluated. ILGRA members may find the approach useful for prioritising risks entailing societal concerns, in their own area of responsibility.

Background

1. When deciding how to regulate a hazard (activity, process etc), HSE takes into account:
 - a) the 'individual risk' that might be entailed by the hazard, i.e. the potential, tangible harm to individuals (which might also be extended to include damage to property; harm to the environment);

and also,
 - b) any associated 'societal concerns' which are engendered by the potential, intangible harm to the social fabric from a hazard which impacts on society as a whole. The harm arises from the socio-political response to the realisation of a risk (i.e. an incident), which can have adverse repercussions for the Government, or regulators acting on their behalf, and may amplify the public perception of that risk.

HSE's approach takes into account that to retain the trust of its stakeholders, societal concerns must not be ignored - a number of other Departments also recognise the importance of considering both individual risk and societal concerns in their risk decision-making.

2. However, in practice, HSE has adopted a policy of attempting to maximise benefits to society through the reduction of the tangible harm associated with individual risk. This is reflected in the targets agreed with Government for the *Revitalising Health and Safety* strategy which require specific reductions in the incidence rate of fatal and major injuries, and ill-health, to be achieved by 2010.

3. The challenge, therefore, for HSE is to meet its *Revitalising* targets and pay proper regard to issues of societal concern to ensure public trust is not undermined. Thus, the extent of both

individual risk and societal concerns must be considered as factors when HSE determines how to prioritise its work and so direct its resources.

4. In the case of individual risk, there are the well-established methods of objective risk assessment which can be used to determine - albeit with varying degrees of uncertainty - the likely extent of the harm in respect of a particular hazard, in appropriate terms of injury or ill-health to workers and members of the public, damage and disruption in the community and harm to the environment and so forth.

5. However, the methods for assessing societal concerns are not so well-established. Recently, the Health and Safety Commission issued a discussion document *Prioritising the work of the Health and Safety Commission and Executive*¹ which sets out a proposed framework for the prioritisation of the resources directed towards the regulation of occupational health and safety risks. The document concentrates, in particular, on how societal concerns might be included in an approach to prioritisation.

Framework for prioritisation taking account of societal concerns

Work directed at particular hazards

6. Many of the demands on the resources of HSE will be concerned with work aimed at dealing with particular hazards. To prioritise such work on the basis of the societal concerns a particular hazard engenders, it is suggested that four factors need to be considered by the regulator, i.e.

- a) the nature of the hazard and its associated risks and benefits;
- b) the regulator's ability to intervene effectively (i.e. what it can do, realistically, that will have an impact);
- c) the extent of public interest in the area of concern (i.e. how high a profile does the issue have with the public, how long has this profile been maintained);
- a) the expectations of the regulator's stakeholders (i.e. are stakeholders looking to it for action, or to some other regulator)

7. For a particular item of work, prioritisation could proceed by evaluating the individual factors set out above and combining these to give an overall evaluation, which would allow ranking it against other items. Each of these factors needs to be evaluated against a number of characteristic criteria set out below

8. In the application of these criteria, the regulator will not only be able to look at hazards in relation to the current state of affairs but also to take a longer term strategic view by forecasting how the factors will be affected by anticipated changes in public values and expectations and advances in science and technology.

¹ Available on HSE's website <http://www.hse.gov.uk/disdocs/dde17.htm>

a) Criteria for evaluating the nature of the hazard and its associated risks and benefits

9. Studies by social scientists have revealed a wide range of factors influencing the public perception of risk. Those particularly important fall under five main headings:

- the extent of understanding of the hazard, its cause and effect;
- the scale of the consequences (e.g. could large numbers be killed in one incident);
- the dread inspired by the hazard - which is determined by such characteristics as the potential for globally catastrophic or irreversible consequences, the involuntariness of exposure;
- the vulnerability of the potential victims (e.g. are children involved?);
- how equitably the risks and benefits are distributed.

(b) Criteria for evaluating the regulator's ability to intervene effectively

10. The ability of the regulator to intervene effectively will depend, broadly, on:

- the extent of the regulator's knowledge about the hazard, its cause and effects;
- the effectiveness of the control measures that the regulator could require to be brought to bear on the hazard;
- the extent of the regulator's legal scope (e.g. are there other regulations, enforced by a different regulator, better suited to ensure the necessary controls are introduced?).

(c) Criteria for evaluating the extent of public or other stakeholder interest in the area of concern

11. Two factors are pertinent:

- the strength of public interest in the hazard;
- the persistence of public interest.

12. Determining these factors could be achieved by sampling public perceptions directly, asking people for their views, or indirectly using a surrogate measure such as the degree of media interest.

(d) Criteria for evaluating the expectations of the regulator's stakeholders

13. Operating within a society which is democratic and to which it is accountable, the regulator needs to include an explicit consideration of the expectations of its stakeholders when determining priorities. Stakeholders include the Political (Ministers, MPs etc.); the work-related (employers, employees etc.), the general public and its representatives (e.g. non-governmental organisations). For the particular hazard, the regulator needs to consider:

- the level of stakeholders expectation of action from the regulator (i.e. are stakeholders looking to it, or to some other regulator);

- the extent to which the regulator could, in principle, by taking action in respect of the hazard, meet stakeholder expectations.

The expectations of the stakeholder groups are not unconnected (e.g. public expectations will significantly influence the Political).

Other work

14. In addition to the work directed at particular hazards, discussed above, HSE undertakes work which contributes to the general process that it employs to support such hazard-specific work. The work in this category is not directed at any particular hazard but there could be harm to stakeholders' interests if appropriate work is not undertaken (or inappropriate work is undertaken), and also to the regulator's credibility and, therefore, public trust. Examples of such work are the production of statistical information, the development of policy on regulation and enforcement.

15. To prioritise this general process work, it is suggested that consideration should be given to the extent to which it helps:

- a) to meet the expectations of the regulator's stakeholders (for example, for guidance, information etc.);
- b) the regulator to act, and be seen as acting, according to the principles of better regulation (i.e. open, transparent, proportionate, targeted and accountable) and disinterestedly;
- c) the public to better understand the regulator's point of view, motivation etc
- d) to achieve success in the hazard-specific work it supports.

Action

16. Members are invited to:

- ~ comment on the framework for prioritisation taking account of societal concerns, whether the factors (para. 6) and characteristic criteria for evaluating them (para. 9ff) are correct; and
- ~ consider whether there would be merit in extending HSC/E's proposed framework more widely across Departments.

Deadline for comments

7 December 2001

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