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HEALTH AND SAFETY COMMISSION

Implementing Hampton and Better Regulation Task Force Recommendations

A Paper by Max Walker

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Cleared by Jonathan Rees on 13 July 2005

Issue

Update on progress in responding to the Hampton and BRTF recommendations, and identification of immediate issues for the HSC. The centre continues to attach importance to fast progress, and HSE needs to resource and prioritise accordingly.

Timing

1. Routine

Recommendation

2. The Commission is invited to:
 - Note the implications of the administrative burden work and our proposals for engaging workers through the proposed forms project (para 7-8);
 - Comment on the approach proposed to mergers with other regulators, in the light of the Strategy (para 10)
 - Advise on whether the LA programme needs to give specific attention to presenting the tangible benefits of a partnership approach (para 11)

Background

3. The Commission received a presentation on the Hampton and BRTF reports on 5 April. Key themes were:
 - ensuring that all regulatory activity is based on a clear and comprehensive risk assessment;
 - simplifying existing regulations to reduce the administrative burden inherent in them, and setting a challenging target for the whole of government;
 - reinforcing penalty regimes to make non-compliance less attractive;
 - developing channels to advice to make self-regulation more likely;
 - improving forms and data sharing to eliminate unnecessary burdens;
 - restructuring regulatory bodies around seven core thematic regulators to replace more than 30 existing bodies (on the same lines, the Government has decided to restructure 11 public service regulators to four).

4. The Government's Business Manifesto gave strong reinforcement to the idea of mergers to relieve burdens; emphasised the need for strong penalties; and acknowledged the pressing need for improved consistency, especially where inspections are by local authority regulators. The Government published a Better Regulation Action Plan on 24 May. A copy is at Annex 1. By Autumn of 2006 there will be:
 - Departmental action plans to meet quantified reduction targets on administrative burdens (earlier deadlines)
 - New law to enable reform (Better Regulation Bill)
 - New arrangements for consistent regulation by local authorities
 - Arrangements to reduce the burden of data collection
 - A reformed penalty regime
 - Detailed plans to create seven thematic regulators (initial merger plans by this July)
 - A timetable for delivering regulatory simplification in Europe

5. As recommended by Hampton, the Better Regulation Executive (BRE) has now been established in Cabinet Office. A new Executive Chair, with substantial private sector experience, is being recruited to report to John Hutton who has ministerial lead responsibility for this agenda across Whitehall. Within BRE a Local Authority Better Regulation Group (LABReG) is being set up to coordinate reform across local government regulators. Max Walker is the HSE representative.

6. Meeting the targets and deadlines set out in the Better Regulation Action Plan will be a considerable challenge and HSE has therefore set up a Hampton/BRTF Implementation Programme to ensure that the various workstreams are progressed. The Programme Board is chaired by Jonathan Rees and includes members from LACORs and DWP.

Issues

Burdens and simplification

7. The BRE is driving forward the work on measuring the administrative burden of regulation. HSE met the 16 June deadline for a first cut submission of existing regulations – over 200 (copy at Annex 2). The measurement methodology is now essentially agreed. To achieve the early 2006 deadline for completing the measurement work, BRE is asking departments and regulators to use centrally procured consultants in the autumn to conduct interviews with business on their costs and associated measurement calculations. It will be a major challenge for HSE to ensure that the work is done in such a way that it captures a fair and adequate picture of admin burdens across its work, including the major hazard permissioning regimes. **The Commission is invited to note the significant implications of this project for HSE.**
8. HSE is also concerned to ensure that workers as well as business are engaged in following up the administrative burdens work. The Programme Board has agreed to develop a project on simplifying forms. This will both be “zero based” and will look more widely at proposals to counter the perception of health and safety paperwork as a burden. **Does the Commission support the proposal that the project be required explicitly to seek workers’ views in considering paperwork simplifications?**
9. The BRTF recommendations include the discipline of seeking offsetting savings against all new regulatory proposals. The Commission agreed that Judith Donovan should help officials to do this, and a challenge panel involving her met first on 13 July to consider the justification for a number of new proposals.

Mergers and a wider role for HSE

10. Hampton places HSE at the core of a thematic regulator; but the theme here is not purely health and safety – it extends more broadly into regulation in work and employment, and it also places more emphasis on HSE’s existing public safety role. There are implications here for the Strategy, and its focus on priorities. However, the Government has accepted the Hampton/BRTF recommendations in full. HSE is therefore working on the basis that the mergers proposed by Hampton will be implemented. Its proposed approach is to resource the merger work properly, but to negotiate resource transfers that fully cover the costs of HSE of taking on the work. **Does the Commission agree?**

Local government

11. In reshaping regulatory regimes in Local Authorities, HSE is likely to face pressure to show performance improvement and build in a “customer” perspective (eg how we approach large organisations). HSE plans to integrate its response to the Hampton agenda with its Local Authority Strategic Partnership Programme (LASP) and the Business Involvement programme. HSE intends to promote its positive experience in seeking active partnership with local government – and will look to local government to back this up - but believe it will be important to demonstrate that this approach brings tangible results. **The Commission is invited to comment.**

Risk based regulation

12. The Programme Board is looking to improve HSE's ability to explain the end-to-end use of risk assessment across its regulatory regimes. In the short term, HSE will include on its website an explanation of HSE's current risk basis for regulation. There is a clear read across from this work to the broader sensible risk management debate.

Consultation

13. With members of the Programme Board.

Presentation

14. The Programme Board has proposed that the Chair of the Commission should be invited to use a speech to make a public statement of HSE's response to Better Regulation Action Plan. A LACORS conference in mid September could provide a platform.

Costs and Benefits

15. The BRTF assumes there will be substantial savings to the economy (£16 billion) from the reduction in administrative burden, at a cost of £35million.

16. If mergers go ahead there will need to be funds transferred to support the new functions – it is too early to say what scope there may be for savings in economies of scale. Hampton expects savings in resource as compared to current regulatory practices but they are to be redeployed on better-targeted activities.

Environmental Implications

17. None.

Other Implications - Risks

18. This is a high-risk project, both to HSE/C's reputation and in some areas of delivery. In particular there are high risks from central initiatives which set unrealistic demands/deadlines. HSE plans to manage these by building good links with the BRE and its emanations (eg LABREG), and by offering constructive support.

Action

19. The Commission is invited to comment on the issues in para 3.