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HEALTH AND SAFETY COMMISSION

Further Better Regulation Activity in Relation to Low Risk Businesses, particularly SMEs

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Issue

1. As a postscript to Better Regulation update Paper HSC/07/5, this short paper gives notice and some background of a study of the cumulative impact of H & S regulation on low risk businesses, particularly SMEs, which BRE is undertaking, and with which HSE is co-operating.

Timing

2. For information only.

Recommendation

3. The Commission to note this further development and await feedback as the project develops.

Background

4. A few weeks ago, BRE approached HSE saying they would like to do a study into the impact of health and safety and safety rules on SMEs. Following high level discussion between HSE and BRE, HSE agreed to work with BRE on scoping this work. HSE influenced both the terms of reference for the work (as confirmed in a letter from Colin Church Director Regulatory Innovation and Geoffrey Podger and reproduced here as an annex) and the membership of the project team. Max Walker an experienced senior Inspector with a deep experience of the Hampton Review has joined the team in the role of 'portfolio holder' for HSE.
5. The study will look at the cumulative impact of the H&S regulatory regime from the perspective of lower risk businesses (especially SMEs) - examining things like costs and burdens, behaviour change, international comparisons and different drivers (regulator behaviour, insurance etc).

6. The initial milestone is a 'scoping' style BRE report to go to a Steering Group comprising Geoffrey Podger, Jitinder Kohli BRE and Derek Allen LACORS by the end of September. They will then review the report findings and decide on any next steps.

Argument

7. HSE and BRE sees the work as complementary to the broader Hampton Implementation Review of HSE that is going on in parallel and building on work we have already done on SMEs and business involvement more generally.
8. HSE participation with BRE in this project will assist in assuring a joined up approach to the various initiatives going on with low risk businesses and SMEs in particular as the focus, and a managed engagement with key stakeholders such as SBTAF

Consultation

9. HSE Better Regulation Team, Max Walker, SD and LAU.

Presentation

10. No immediate media handling issues. The study is at this stage internal.

Costs and Benefits

11. None identified at this early stage.

Action

12. Commission to note this development.

“To deliver strong regulatory outcomes in a modern working environment while minimising the burden on business and maintaining the confidence of society, the project should:

- Explore from the perspective of low risk businesses (especially SMEs) how the H&S regulatory regime cumulatively impacts on them; what costs and burdens it places on them, including international comparisons with regimes in other jurisdictions; what behaviour changes it has driven; what benefits they and their employees perceive; and what particular difficulties they face in complying. This should in particular draw out any practical relationship with linked requirements (for example, building regulations, environmental, fire and food safety);
- Investigate how the health and safety regulatory regime (including both the regulators and other drivers such as insurance) deals with new and emerging risks, especially health risks;
- Assess the relative importance of key drivers of the main costs/burdens (regulatory requirements, regulator behaviour, insurance demands, business advisers etc); and in the light of this
- Make recommendations of priority areas for action to minimise burdens without compromising Health and Safety. These should take account of any recommendations on regulator behaviour to be made by the Hampton Implementation Review of HSE being undertaken in parallel by BRE/NAO.”