

Administrative Burdens of Regulation – Health and Safety Executive

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As part of its strategy for driving down the administrative burden of complying with regulations, government departments commissioned PwC to work with business and the voluntary sector to estimate the administrative costs of regulation.

This report, produced by the Better Regulation Executive alongside the Health and Safety Executive (HSE), provides a high level summary of the burdens relating to health and safety legislation and is adjusted to take account of activity that business would choose to do even if the regulation did not exist (business as usual or BAU). This report should be read alongside the HSE's Simplification Plan which sets out a programme of reform to reduce these burdens.

HSE's administrative burdens relative to the cross – government Admin Burden total:

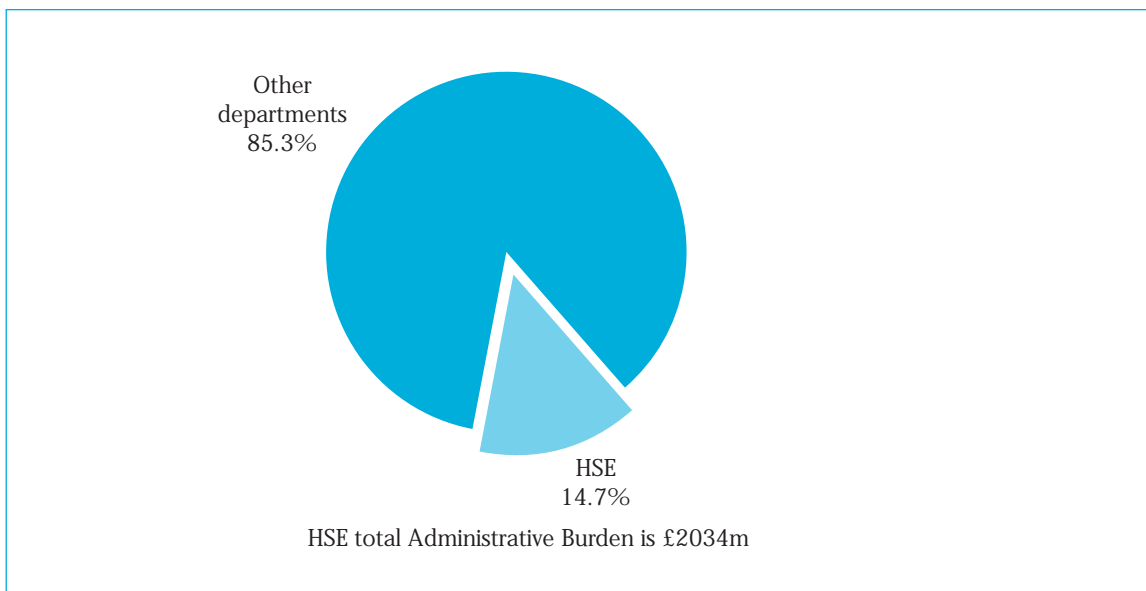


Table 1 – Top 10 Regulations (which represent approx. 80% of total burden)

This table shows, for each of the HSE's 10 most burdensome regulations: the administrative burden and the proportion of the Executive's total the regulation accounts for; how the cost breaks down by origin; and whether costs are incurred in providing information to government or third parties either directly (internal) or through contracts with suppliers (external). For completeness a subtotal of all the other, lower cost regulations has been included.

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			% Cost by Origin			% Cost – Non-Third Party		% Cost – Third Party	
Regulation Name	Admin Burden (£m's)	% of Dept. Total	A	B	C	Internal Cost	External Cost	Internal Cost	External Cost
Management of Health & Safety at Work Regulations 1999	£600.0	29.5%	80.0%	20.0%	0.0%	93.6%	6.4%	0.0% ¹	0.0%
Gas Safety (Installation and Use) Regulations 1998	£255.7	12.6%	0.0%	0.0%	100%	44.3%	48.3%	6.0%	1.5%
Manual Handling Operations Regulations 1992	£146.7	7.2%	89.1%	10.9%	0.0%	3.7%	7.2%	67.2%	21.9%
Lifting Operations & Lifting Equipment Regulations 1998	£144.5	7.1%	99.7%	0.0%	0.3%	19.9%	79.9%	0.2%	0.0%
Control of Substances Hazardous to Health Regulations 2002	£119.4	5.9%	99.4%	0.6%	0.0%	34.0%	0.0%	65.9%	0.1%
Health and Safety at Work etc Act 1974	£93.9	4.6%	0.0%	0.0%	100%	29.1%	27.2%	43.6%	0.0%

¹ The tool developed by PwC to measure the administrative burden of MHSW Regulations calculated the costs as a whole, and did not differentiate between 3rd party and non-3rd party costs.

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			% Cost by Origin			% Cost – Non-Third Party		% Cost – Third Party	
Regulation Name	Admin Burden (£m's)	% of Dept. Total	A	B	C	Internal Cost	External Cost	Internal Cost	External Cost
Control of Asbestos at Work Regulations 2002	£84.5	4.2%	0.2%	96.4%	3.4%	9.8%	0.0%	90.2%	0.0%
Safety Representatives and Safety Committees Regulations 1977	£64.5	3.2%	0.0%	0.0%	100%	0.0%	0.0%	50.7%	49.3%
Construction (Design and Management) Regulations 1994	£53.4	2.6%	39.5%	54.7%	5.8%	6.4%	0.0%	93.6%	0.0%
Dangerous Substances and Explosive Atmospheres Regulations 2002	£36.6	1.8%	100%	0.0%	0.0%	11.7%	2.3%	50.5%	35.5%
Other Regulations	£435.0	21.4%	15.8%	8.9%	73.2%	40.3%	15.2%	34.0%	8.5%
Total	£2,034.1	100%	51.9%	14.9%	33.1%				

Table 2 – Top 20 Information Obligations (which represent approx. 80% of total burden)

Government regulations often consist of a number of separate obligations on business and the voluntary sector. To make progress in reducing the administrative burden it is important to know the costs of each of the individual obligations. This table shows the estimated administrative burden for HSE's 20 most burdensome obligations. For completeness a subtotal of all the other, lower cost regulations has been included.

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Information Obligation Description	Regulation Name	Admin Burden (£ms)
Each employer must carry out and record assessment of (a) the risks to the health and safety of employees which they are exposed to whilst at work and (b) the risks to the health and safety of persons not in employer's employment arising in connection with the conduct of the employer of his undertaking. Each employer must provide employees with comprehensible information on any significant risks.	Management of Health & Safety at Work Regulations 1999	£600.0
Keeping a record of any appliance or flue checked to ensure the device is adequately maintained for 2 years from the date of the check.	Gas Safety (Installation and Use) Regulations 1998	£236.6
Keeping examination reports of lifting equipment in accordance with the regulations.	Lifting Operations & Lifting Equipment Regulations 1998	£143.8
Providing employees with manual handling operations information.	Manual Handling Operations Regulations 1992	£130.8
Compiling information on procedures, emergency arrangements and ensuring that warning and communication systems are made available to the relevant accident and emergency services and displayed at the workplace if appropriate.	Control of Asbestos at Work Regulations 2002	£66.2
Maintaining a record to demonstrate that a written statement is in place to identify the employers general policy towards health and safety at work and that arrangements to carry out that policy are in place.	Health and Safety at Work etc Act 1974	£52.9
Providing information to safety representatives to enable them to fulfil their functions.	Safety Representatives and Safety Committees Regulations 1977	£50.4

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Information Obligation Description	Regulation Name	Admin Burden (£ms)
Maintaining records to demonstrate that any person (employee or not) who carries out work for the employer has suitable and sufficient information, instruction and training.	Control of Substances Hazardous to Health Regulations 2002	£43.7
Providing sufficient information as is necessary to ensure, so far as is reasonably practicable, the health and safety of employees at work.	Health and Safety at Work etc Act 1974	£34.3
Displaying a conspicuous sign directing people to a supply of drinking water where this is necessary for reasons of health and safety.	Workplace (Health, Safety and Welfare) Regulations 1992	£33.7
Providing employees with suitable and sufficient information, instruction and training on the appropriate precautions and actions to be taken to safeguard himself or others, where a dangerous substance is present at the workplace.	Dangerous Substances and Explosive Atmospheres Regulations 2002	£28.0
Making available information to employees that would enable them to participate fully and effectively in consultation processes on health and safety.	Health and Safety (Consultation with Employees) Regulations 1996	£22.9
Maintaining a record of the risk assessment carried out under the terms of regulation 6(Assessment of the risk to health created by work involving substances hazardous to health), where work is undertaken which is liable to expose the employee to a substance hazardous to health, and the steps taken to prevent or control this potential exposure.	Control of Substances Hazardous to Health Regulations 2002	£21.4
Completing a noise assessment for all employees who are likely to be exposed to the first action level or above or to the peak action level or above and ensuring a record of noise assessment is kept until further noise assessments are made.	Noise at Work Regulations 1989	£19.7
Ensuring that there is valid entry in the health record made by an appointed doctor or employment medical adviser.	Ionising Radiation Regulations 1999	£19.5
Displaying a poster in a readable condition or giving each employee a leaflet approved by the Health and Safety Executive.	Health and Safety Information for Employees Regulations 1989	£16.7

Health and Safety Executive (*Continued*)

Information Obligation Description	Regulation Name	Admin Burden (£ms)
<p>Providing a written scheme of suitable periodic examination of the system, and parts of the system in which a defect may give rise to danger, to be carried out by a competent person.</p> <p>Ensuring that the scheme includes:</p> <ul style="list-style-type: none"> – nature and frequency of the examination – measures required to prepare the system for safe examination. 	Pressure Systems Safety Regulations 2000	£16.3
Maintaining records to demonstrate an assessment of manual handling operations has been carried out.	Manual Handling Operations Regulations 1992	£16.0
Maintaining records to demonstrate employees have been informed and trained on the hazards and risks from the substances with which they work, and the use of control measures developed to minimise the risks.	Control of Substances Hazardous to Health Regulations 2002	£15.9
<p>Recording the results of the systematic examination undertaken by a competent independent person of plant, specifying:</p> <ul style="list-style-type: none"> – the nature and frequency of examination – that an examination is to be carried out before plant is first used on the installation and before plant is first used in the installation after modification or repairs. 	Offshore Installations (Prevention of Fire and Explosion and Emergency response) Regulations 1995	£15.0
Other Information Obligations	Other Regulations	£450.4
Total		£2,034.1

Table 3 – Breakdown of Information Obligation Types

This table shows how the administrative burden and the proportion of the Executive's total breaks down by type of information obligation.

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Information Obligation Type	Costs	
	Admin Burden (£m's)	% of Department Total
Keeping records	£1,369.7	67.3%
Providing statutory information for third parties	£446.8	22.0%
Updating commercial emergency plans & programmes	£85.3	4.2%
Statutory labelling for the third parties	£39.1	1.9%
Notification of activities	£38.5	1.9%
Carrying out inspections of...	£24.6	1.2%
Applications for authorisation	£14.1	0.7%
Returns and reports	£7.2	0.4%
Cooperating with audits/inspections of...	£5.0	0.2%
Applications for permission for or exemption from...	£3.3	0.2%
Entry in a register	£0.3	0.0%
Carrying documentation	£0.2	0.0%
Total	£2,034.1	100%

Glossary

Administrative costs	The costs of administrative activities that businesses are required to conduct in order to comply with the information obligations that are imposed through central government regulation. These include, for example, form filling, keeping records or responding to information requests.
Administrative burden	The costs of administrative activities over and above what a business would choose to do in the absence of the regulation.
‘Business as usual’	A measure of the activity that organisations would choose to do in the absence of the regulation. All figures in this publication allow for ‘business as usual’ costs.
Standard Cost Model	A pragmatic methodology that provides systematic measurement of the administrative costs of regulation ² .
Cost by Origin	A measure of how the administrative burden of the regulation is split between different categories according to the origin of the requirements of the regulation.
‘Category A’	Requirements that are international in origin with no domestic discretion in how they are implemented.
‘Category B’	Requirements that are international in origin with some domestic discretion in how they are implemented.
‘Category C’	Requirements that are domestic in origin.
Information Obligation	A specific requirement that must be fulfilled in order to comply with a regulation. Regulations often consist of a number of separate information obligations.
Non-Third Party Costs	Costs relating to obligations to provide information to a public authority.
Third Party Costs	Costs relating to obligations to provide information to any person or organisation that is not a public sector body, for example employees, consumers or other stakeholders
Internal Cost	Costs incurred within an organisation’s existing resources (such as staff time) in order to comply with a regulation.
External Cost	Costs that an organisation incurs as a result of using external services (such as fees for professional advice or for specialist IT equipment) in order to comply with a regulation.

² For further details see: <http://www.cabinetoffice.gov.uk/REGULATION/reform/simplifying/scm.asp>