

# The impact of business to business health and safety rules ('blue tape') in construction

Construction Industry Advisory Network 22<sup>nd</sup> January 2020

Jeremy Bevan and Richard Plant/HSE Business burdens team



# Business to business 'rules': good for business? Yes, but...

"Successful organisations understand that sensible and proportionate risk management is integral to delivering their business... supports growth, enables innovation and protects an organisation's most vital asset, its people."

#### Our strategy aim on proportionality

"...a common understanding of what proportionate health and safety looks like"

Source: Helping Great Britain Work Well, HSE (2016)



# Health and safety 'rules' – HSE's aims and objectives

#### **About**

- Burdens arising when health and safety rules are disproportionate (and in some cases deliver under-compliance)
- Links to ineffective risk control and a lack of risk ownership
- Well-intentioned initiatives and unintended consequences

#### Not about

- Getting in the way of businesses seeking to innovate, both to grow and to drive up standards (Industrial Strategy aim)
- HSE stamping out 'best in class' as informed risk management choice



## Who and what influences duty holder action? YouGov survey findings

Driver for action	As primary	As secondary
Health & Safety Rules	22%	37%
Regulation / enforcement	19%	21%
Improving standards	14%	17%

However: these get jumbled together in the minds of business people - so getting all of them right matters



### How big a problem?

Health and safety burden isn't a problem for the majority of businesses but...

 A significant proportion of SMEs report a big burden; different research reports figures ranging from approximately 15-50%

*Our* business insight tells us that up to:

- 39% of SMEs report feeling that their policies practices are excessive and disproportionate to the risks of their businesses
- 35% of SMEs report feeling no real link between what they have to do 'for health and safety' and what they actually do to keep workers safe

Source: Understanding the impact of business to business health and safety 'rules' (HSE, 2019)

### Accreditation (conformity assessment) impacts



- Accreditation schemes have at least some impact for 41% of SMEs, and a big impact for 19%
- Applied across many sectors (not just construction)
- Overlapping accreditations costing SMEs thousands per year. Barrier to growth?



"No real improvements to h&s management systems... no value in signing up to multiple schemes or refreshing each year. Commercial benefit only."

# Management standards and certification impacts (e.g. ISO 45001)



#### **Business impacts:**

• 14% of businesses (rising to 24% for SMEs with 50-249 employees) report a big impact, with 40% of all businesses reporting some impact

#### **Duty holder perspectives:**

- Smaller suppliers hold standards "simply because they are required to by their customers or insurance companies";
- Implementation, audit and certification costs;
- Parallel paperwork systems false assurance?
- 'Suitable for organizations of all sizes': more work needed on this?



### What all this can mean for business....

 False assurance if the paperwork doesn't match the reality: 'emperor's new clothes'



Additional business burdens –
 for example, wasteful use of
 consultants





### A case for action? If so, what?

Heavy-handed rules jeopardy for businesses



(Part of) our role – clearing the way... with others







**Guidance: making accreditation schemes better:** 

[http://www.hse.gov.uk/competence/accreditation-schemes.htm]

- One way to demonstrate competence (and only one)
- Not required by law
- HSE supports SSIP/standards in construction sector, but...
- Mutual recognition/'deemed to satisfy': assessment via <u>one scheme</u> is enough
- Buying lower-risk good/services do risks justify use of a scheme?
  Simpler approaches e.g. HSE's Health and Safety Made Simple
- And only a first step…





**Guidance: use of management standards** 

[https://www.hse.gov.uk/managing/iso45001.htm]

- Not required by law
- Can provide a structured framework demonstrating you have a systematic approach to managing health and safety
- For small, lower-risk businesses, there may be other ways, e.g. HSE's Health and Safety Made Simple or Toolbox
- If imposed as part of a customer/contractor requirement, 'use with caution'
   may not be a good fit
- Associated audit/certification needs to be proportionate, too



### **Next steps/discussion**

### For procurers and suppliers

- What can we all do to make the system work better so suppliers 'do it once, proportionately'?
- Impacts from the Common Assessment Standard efficiency potential clear?
- Is the HSE guidance a useful contribution? What else might be needed (not necessarily from HSE)?
- For the lowest-risk activities, do risks really justify use of a scheme? Could e.g. HSE's Health and Safety Made Simple (or something else) provide an effective alternative?