

For immediate release

Are you taking steps to ensure the safety of your employees?

Upcoming changes

New UK sentencing guidelines <u>proposed for November 2015</u> by The Sentencing Council of England and Wales mean large firms will face fines of up to £20 million for the most serious Health & Safety offences in line with the <u>HSE</u>'s commitment to reducing work related death (corporate manslaughter), injury and ill health through various means, including revised regulations and codes of practice.

With concerns that imposed sentences for these offences have been too low – particularly in relation to larger organisations – the review of guidelines is aiming to base fines on the offending organisation's turnover, an indicator that can be easily assessed.

No more cutting corners

The Sentencing Council wants to ensure that there are no more cutting corners when it comes to health and safety; in the past, organisations have been known to attempt to save money at the expense of safety, often undercutting those that maintain proper standards. New fines have the aim of not only punishing offenders, but also deterring them and others from committing these crimes: even SMEs can face crippling charges of over £1 million if found to be offending.

So what does this mean for **your** business, and what should be done? We spoke to health and safety lawyer David Hennessy of <u>Brodies Solicitors</u> regarding the draft sentencing guidelines:

Will the proposed sentencing guidelines have a material effect on how organisations view the HS&E function within their overall priorities?

"I think they will or at least, they should. The starting point for fines has risen across the board so that even small or medium sized organisations may be hit with fines in excess of £1 million. The draft guidelines confirm that it may be an acceptable consequence for a fine to put an organisation out of business. Faced with this clear risk to their bottom line, many organisations have already recognised that health and safety should sit among the top priorities in the boardroom."

What actions should organisations be taking in light of the anticipated guidelines?

"Organisations with an existing health and safety infrastructure ought to review it to ensure it is fit for purpose. A company health and safety policy, a nominated director or senior individual, task specific risk assessment and safe method of working, and a system for recording accidents are the very least an organisation ought to have in place. A failure to invest in resources such as a health and safety management system can put an organisation's fate in the hands of the regulator or the courts.

Sometimes an accident occurs despite an organisation's best efforts. However, those efforts will be recognised by the court when considering the sentence."

How does this impact company directors?

"The draft guidelines have looked again at the sentencing of individuals. They propose a more readily identifiable threshold for custodial sentences, which they deem appropriate in around half of the offences considered. In addition, directors may find themselves liable for a fine of up to 700% of their weekly income."

What should the HS&E director be communicating to the board today?

"The HS&E director has individual legal responsibility to ensure the company manages the safety of its activities. He ought to have a permanent place on the agenda at board meetings and I recommend that he circulate a copy of the draft guidelines. The law expects health and safety to be prioritised in the boardroom and processes implemented from the top down to operational level."

Ability to adequately demonstrate the systems in place could make a difference

The proposed fines may seem hefty, but this is precisely the Sentencing Council's aim: to bring home the importance of a safe environment with fines big enough to have a real economic impact. It is a fact of life that accidents happen – make sure your organisation is prepared.

Now is certainly the time to get 'buy in' from the board if your team is understaffed or needs training and new systems to carry out the role of HS&E more efficiently. Visit our <u>downloads</u> page today to find out how we can help lessen the potential impact of these changes for your business with our white papers and testimonials/case studies.