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## INTRODUCTION

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The legislative requirements for health and safety have undergone many changes in recent years, placing additional responsibilities on employers who often find it difficult not only to keep abreast of the changes but also to introduce the necessary management systems required. The Health and Safety at Work etc Act 1974 introduced the concept of 'goal-setting' legislation, which specifies the end result that must be achieved. It is then up to the duty-holder to ensure that the goal is reached. While this system allows flexibility in approach, it also means that the employer has to possess an understanding of the principles of risk and risk control in order to meet these obligations. In addition, there is still a significant amount of 'prescriptive' legislation in existence, which allows the employer little latitude for decision-making. This portfolio of legislation and accompanying guidance has developed into a complex and extensive area of employment law. Experience has shown that occupational health and safety is a subject that is not often given the attention required, either through ignorance of the legislation or through effort being directed into the wrong areas. The risks to health and safety in the workplace are often underestimated with the result that many needless deaths and injuries occur every year; most of which could be prevented.

Some employers regard dealing with health and safety matters as a necessary evil; something that has to be done, but which provides little in the way of tangible benefits to the business.

By failing to secure adequate health and safety standards, however, the employer (or self-employed person) is running the risk of:

- accidents and ill-health occurring to employees together with their associated costs;
- accidents occurring to third parties such as members of the public or employees of other employers, perhaps resulting in the loss of goodwill or contracts;
- civil claims for negligence
- increased insurance premiums;
- enforcement action by health and safety inspectors.

The costs of accidents and ill-health can have significant impact on the financial viability of a business. Recent research carried out by the Health & Safety Executive<sup>1</sup> found that accidents:

- cost one business 37% of its annual portfolio
- equated to 8.5% of the tender price of another;
- made up to 5% of the running cost of another.

Complacency may exist with some managers believing that their business insurance will cover the costs of accidents, although in reality the insurance may cover typically 5-10% of the true costs. The rest of the costs have to be met by the business itself.

The potential disruption to business when health and safety inspectors take enforcement action against a business can also be underestimated, particularly when work activities are prohibited until the situation is resolved.

During 2005/2006:<sup>2</sup>

- 10,296 Improvement Notices were served;
- 4,218 Prohibition Notices were served.

Over 195,000 accidents are reported each year to the enforcing authorities. These are the more serious types of accidents which by law have to be reported. Even so, it is estimated that only 40% of notifiable accidents are actually reported.

During 2006/2007:

- 1,141 prosecutions were brought by the HSE;
- 2.2 million persons were suffering from an illness they thought was caused or made worse by work;
- 241 workers were killed;
- 369 fatal injuries occurred to members of the public (246 rail-related deaths - including suicide);
- 141,350 injuries were reported under RIDDOR;
- 36 million working days were lost; and
- an estimated 4,000 cancer deaths occurred due to asbestos exposure.

The potential costs to business through ineffective safety management can, therefore, be enormous. The systematic identification and control of workplace risks is essential if health and safety is to be properly managed.

1 The costs of accidents at work: HS(G)96. Health & Safety Executive 1993.  
2 Health and Safety Statistics. Health and Safety Commission.

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