



House of Commons

Work and Pensions Committee

**The role of the Health
and Safety Commission
and Health and Safety
Executive in Regulating
Workplace Health and
Safety: Government
Response to the
Committee's Third
Report of Session
2007–08**

**Third Special Report of Session 2007–
08**

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The Work and Pensions Committee

The Work and Pensions Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Work and Pensions and its associated public bodies.

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Committee staff

The current staff of the Committee are James Rhys (Clerk), Emma Graham (Second Clerk), Amy Sweeney and Hanna Haas (Committee Specialists), Laura Humble (Committee Media Adviser), John-Paul Flaherty (Committee Assistant), Emily Gregory (Committee Secretary) and John Kittle (Senior Office Clerk).

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Third Special Report

1. The Work and Pensions Committee agreed its Third Report of Session 2007-08, The role of the Health and Safety Commission and Health and Safety Executive in regulating workplace health and safety, on 2 April 2008. The Report was published on 21 April as House of Commons Paper No. 246. We received the Government's Response to this report on 20 June 2008, in the form of a memorandum from the Parliamentary Under-Secretary, Lord McKenzie of Luton. This memorandum is printed as an Appendix to this Special Report.

Appendix: Government response

Introduction

The Government welcomes the third report of the Work and Pensions Select Committee, Session 2007-08, entitled "The role of the Health and Safety Commission and the Health and Safety Executive in regulating workplace health and safety" which was published on 21 April 2008.

The Committee acknowledges the good work carried out by the former Health and Safety Commission (HSC) and Health and Safety Executive (HSE) in conjunction with local authorities and recognises that the merger of these bodies will provide for a much stronger organisation better positioned to face the challenges of the coming years.

The HSE and local authorities have been very successful in helping Britain to achieve some of the safest and healthiest workplaces in Europe. The Government will build upon this success by driving further improvements in health and safety. The Department for Work and Pensions Departmental Strategic Objectives on health and safety and HSE's 2007 Spending Review settlement reflect this commitment.

To deliver improved outcomes HSE will focus resources on areas where they can have the greatest impact and this will be achieved by prioritising and targeting its activities. HSE will also maximise efficiencies and effectiveness and the move to a single headquarters will support these improvements. The Government is confident that HSE has the necessary transition arrangements in place to manage the risks from such a move.

The decision of HSE's new Board to develop a fresh strategy for health and safety in Great Britain is welcomed by the Government. The responses to a number of the Committee's conclusions and recommendations reflect this planned work.

Conclusions and Recommendations

PROPOSALS FOR CHANGE

1. The Committee supports the Government's proposals to merge the Health and Safety Commission (HSC) and the Health and Safety Executive (HSE) but believes that the new body must include appropriate representation of stakeholders on its board. We

ask that HSC demonstrates how it will ensure that the new unitary body is not only representative, but also maintains the principles of tripartism in its approach to health and safety. (Paragraph 21)

1. The Government welcomes the Committee's support for the merger which came into effect on 1 April 2008. In preparing the Legislative Reform Order to bring about the merger the Government took care to ensure that the strengths of the HSC and HSE were retained and enhanced including the representative nature of the HSE Board and the mechanisms for appointing Board members.

2. The Committee accepts that HSE must make savings in order to release more money to fund frontline services but is concerned that the relocation to Bootle could lead to a significant loss of experienced staff. We are not satisfied that HSE has explained how it will ensure that the closure of its London headquarters will not create a gap in its expertise, particularly in the areas of policy and litigation. We ask that HSE explains this and clarifies how savings made from the relocation will be re-allocated. (Paragraph 26)

2. The Government has recognised from the outset that there are risks to business continuity from the creation of a single HQ but considers that these are being robustly and properly managed. This is also the view of HSE's Board. An independent review by DWP to Office of Government Commerce standards has endorsed HSE's risk management arrangements which include recruitment of new staff to Bootle, retention of key London staff through the transition process, flexibility to adapt the pace of change to any emerging pressures and continual senior management oversight. Savings from the relocation and other efficiency projects will be reinvested in supporting the maintenance of HSE's frontline work.

THE LEGISLATIVE FRAMEWORK

3. The Committee believes that the Health and Safety at Work Act 1974 is proportionate; however, some employers, particularly small and medium enterprises (SMEs) can find it difficult to understand and apply. We commend HSE's efforts to reduce the administrative burden on businesses and conclude that it should continue to keep the adequacy of the support it provides to SME's under review and ensure smaller employers are able to access sufficient and appropriate guidance. (Paragraph 33)

3. The Committee's conclusion on providing appropriately targeted and tailored support to small and medium enterprises (SMEs) is welcomed by the Government. The development of a new HSE strategy offers the opportunity to take stock of what has been achieved, and build on the progress made. This will be informed by recommendations in the recently published Better Regulation Executive (BRE)/National Audit Office report on HSE's Hampton Implementation Review, the Government's Enterprise Strategy and the soon to be published BRE review on 'Improved Outcomes from Health and Safety'. (See also response to conclusion 14 on dissemination of health and safety information).

4. HSE's role in relation to public safety has expanded considerably and beyond that originally envisaged. The Committee believes that whilst this is not ideal, responsibility for public safety cannot be the sole remit of local authorities, which are also operating within tight budgets. We ask the Government to clarify its strategy for public safety,

demonstrate where responsibility for this strategy should lie and how funding for its regulation should be allocated. (Paragraph 38)

4. Public safety is a very broad issue and the Government's view is that it is rightly dealt with by different Departments and that it is not practicable to draw up a single strategy. There are Memorandums of Understanding and Concordats where issues cross the remit of more than one department, for example between HSE and the Civil Aviation Authority. Funding is a matter for different departments. HSE in developing a new strategy will consider its role in public safety.

5. We call upon the Government to take steps to ensure that its transposition of EU legislation is consistent with HSE's efforts to reduce the administrative burden on business. We are concerned that the implementation of some EU directives in UK regulations has introduced a more absolute duty on employers, which was over-prescriptive and countered these efforts. We call on the Government to evaluate the extent to which this has taken place and, if necessary, to publish a strategy for reasserting the "reasonable practicability" test enshrined in the original 1974 Act. (Paragraph 43)

5. The Government is satisfied that HSE complies fully with relevant policy in transposing directives into UK law. This includes minimising the burdens on business and avoiding going beyond the minimum necessary to comply with a directive unless there are exceptional circumstances. These will be justified by a strong cost-benefit analysis and extensive consultation with business. Lord Davidson's 2006 review of the implementation of EU legislation confirmed that HSE goes beyond the minimum in implementing directives only when it is justified, for example in extending duties on employers to the self-employed.

6. The Government does not agree that the implementation of EU directives has introduced more absolute duties into health and safety law. HSE takes every opportunity during negotiations and transposition to ensure that duties and liabilities are subject to appropriate qualification.

7. The concept of 'reasonable practicability' remains a fundamental aspect of UK health and safety law. The European Court of Justice upheld its use in the UK's transposition of the health and safety Framework Directive. The Government will continue to assert the importance of the concept.

6. The Committee welcomes the Corporate Manslaughter and Corporate Homicide Act 2007. We call on the Government to assess the effectiveness of the Act after its first three years of operation and the impact it has on board level ownership of health and safety issues. (Paragraph 47)

8. The Government agrees that the effectiveness of the Corporate Manslaughter and Corporate Homicide Act 2007 should be assessed and has set up a system for recording the number of organisations charged, prosecuted or convicted of corporate manslaughter and is working with stakeholders in the criminal justice system to monitor the impact of the Act.

9. HSE is undertaking a two stage evaluation of the impact of the new leadership guidance for directors. The second stage is designed to measure the impact that the strengthened guidance and wider developments, in particular the Corporate Manslaughter and Corporate Homicide Act 2007, have had on directors and on enforcement activity.

7. Given that the UK has operated a voluntary approach since the introduction of the Health and Safety at Work Act in 1974, we are not convinced that the introduction of new guidance for directors on health and safety is sufficient to ensure board-level prioritisation of health and safety issues. (Paragraph 56)

8. HSC's Chair has promised to revisit the possibility of introducing statutory duties if the new guidance does not succeed in prioritising health and safety at a director level. We recommend that HSC sets out how it will measure the success of the current arrangements and over what period. Should the combination of existing guidance and legislation prove inadequate over the next three years, we are convinced by evidence that the introduction of statutory duties, as recommended by our predecessor Committee, would have a significant impact on board-level prioritisation of health and safety. (Paragraph 57)

10. The Government believes that there is an appropriate balance of legislative and voluntary responsibilities on directors for health and safety at work. The new leadership guidance for directors does not stand alone. It is just one aspect of the current arrangements, involving a mix of legislation, enforcement and voluntary guidance, which serve to focus directors' attention on their responsibilities for health and safety, and to influence their behaviour.

11. The Government is committed to revisit the question of director duties following a timely, thorough and independent evaluation of the impact of the voluntary approach. This evaluation is due to commence in the latter half of 2009. HSE's Chief Scientist is chairing a steering group which includes business and trades union representatives to scope and specify the evaluation and subsequently to oversee it. The findings of the evaluation and other relevant evidence offered by stakeholders will be made available to HSE's Board in early 2010.

9. The Committee believes that Crown immunity from prosecutions for health and safety offences needs to be re-examined. We ask the Government to outline what plans it has to legislate in this area. (Paragraph 61)

12. The Government is committed to introducing legislation for the removal of Crown immunity for health and safety offences but believes it is firstly right to consider the implications of its removal in respect of the Corporate Manslaughter and Corporate Homicide Act 2007 before taking further action.

INTERPRETATION OF HEALTH AND SAFETY LEGISLATION

10. We acknowledge the challenge HSE faces in debunking health and safety myths and the importance of this in trying to promote understanding among the public. We commend the HSE for its efforts to tackle misconceptions and encourage it to continue working with partners to address this issue. Public misconceptions of health and safety can obscure the importance of sensible measures to protect workers and secure public

safety. We share the disappointment of some witnesses that the media's portrayal of health and safety issues encourages this misunderstanding and has a detrimental effect on public perceptions of health and safety. (Paragraph 67)

13. The Government is pleased to note the Committee's support for the work which HSE is doing to change the misunderstanding that health and safety prevents sensible activities when in reality the application of sensible health and safety measures enables those activities to take place.

11. We are concerned that the test of "reasonable practicability" introduces a lack of clarity that can increase the burden on employers in meeting their health and safety obligations. We recommend that the Law Commission reviews the test of "reasonable practicability" and how it applies to the Health and Safety at Work Act 1974. (Paragraph 71)

14. The Government does not believe that there would be value in a further review of the "reasonable practicability" test. Recent reviews, including the Committee's inquiry, have concluded that the current regulatory regime for health and safety is proportionate and generally fit for purpose. "Reasonable practicability" is at the heart of this regime, and has been since 1974. The majority of occupational health and safety legislation is goal-setting not prescriptive and provides businesses with the flexibility to manage risks in a manner which is both proportionate and reasonable taking account of particular circumstances and changes in technology.

12. The Committee commends HSC and HSE for its work with employers to address over-interpretation of health and safety legislation. However, as the Chair of HSC acknowledged, there is a long way to go. We are particularly concerned that the health and safety consultancy profession is currently unregulated. The Minister agreed that over-zealous health and safety advisers encourage employers to produce over-burdensome risk assessments. We therefore recommend that the Government, in consultation with the Institution of Occupational Safety and Health, introduces recognised accreditation for health and safety consultants and advisers, with appropriate sanctions for malpractice. (Paragraph 80)

15. The Government agrees that there is a case for accreditation of health and safety professionals and considers it is for the professional bodies themselves to come together to address this issue. The Government is facilitating a meeting of the relevant professional bodies to discuss how an accreditation scheme could promote the responsible and proportionate provision of health and safety advice. The professional bodies would also need to agree who would run such a scheme and how it might be financed. Any accreditation scheme should not only just test expertise, but also test and accredit people so that they are able to apply that expertise in a proportionate and sensible manner.

13. The establishment of the new Risk and Regulation Advisory Council (RRAC) creates an excellent opportunity to tackle over-zealous interpretation of regulation and over-burdensome risk assessment. We recommend that the RRAC focuses on identifying the main causes of overly risk-averse behaviour and introduces effective means of addressing them. RRAC should also have a role in the development of accreditation for health and safety consultants. (Paragraph 82)

16. The Government set up the Risk and Regulation Advisory Council (RRAC) in January 2008. The RRAC is funded by the Department for Business, Enterprise and Regulatory Reform (BERR) and reports to the Prime Minister and the Secretary of State for BERR.

17. The Risk and Regulation Advisory Council is charged with:

- working with Ministers and senior civil servants to develop a better understanding of public risk, and how best to respond to it, through a series of workshops which consider both good and poor practice; and
- working with external stakeholders to help foster a more considered approach to public risk and policy making.

18. HSE has long promoted a common sense approach to risk and following an initial meeting with the the Chair of the RRAC looks forward to working with them to identify new ways to take this principle further in support of HSE's own work to focus attention on practical measures to manage real risks.

14. Comprehensive and digestible health and safety advice for employers is crucial and we heard evidence to suggest that more could be done by HSE to ensure its ready availability. We recommend that HSE consults with employers, particularly SMEs, and trade unions on how it can improve the dissemination of health and safety information. (Paragraph 90)

19. HSE uses established stakeholder networks to continually target and tailor information, guidance and advice and to ensure effective communication. One example is HSE's broadly based Small Business Trade Association Forum where HSE is able to 'proof test' on SME's advice and guidance it is developing. HSE's strategy review provides the opportunity to take stock of the lessons learnt in providing advice and support to SMEs through a range of initiatives and in the context of wider Government programmes, for example BusinessLink.gov.

15. The Committee asks that HSE explains its charging policy and clarifies how it determines which guidance businesses must pay for and which are free of charge. We recommend that all guidance pertaining to employers' general duties under the Health and Safety at Work Act 1974 should be freely available, without charge. (Paragraph 95)

20. HSE has 600 titles in its range of free leaflets which provide advice or guidance broadly explaining to individuals and businesses what they must do. HSE's website which is the principal means for providing health and safety information contains a broad range of free advice including most of the free leaflets. HSE also arranges local events on particular risks and hazards and visits to premises by Regional teams of Health and Safety Awareness Officers. There is also a telephone helpline (Infoline).

21. HSE has a portfolio of 400 priced publications advising duty holders how they can comply with the law or match best practice. A charge is applied at a level which reflects the fact that HSE does not seek to make a profit from sales but only to recover its costs. Priced publications tend to consolidate what is available elsewhere, but differ in presentation and provide greater detail on aspects of health and safety legislation/best practice. This has

been HSE's practice for nearly 30 years under the provisions of the HM Treasury Fees and Charges guidance when charging for value added publications.

22. The Government in its funding of HSE, as with many departments and public bodies, assumes planned levels of income which, if not achieved, have to be offset by reductions in expenditure elsewhere. HSE has determined that, given its health and safety priorities and workloads, it should not reduce activity or spend elsewhere in order to fund a change to its policy on priced publications. The Government supports this position.

INSPECTION AND ENFORCEMENT

16. Many respondents to this inquiry raised their concerns that the number of inspections HSE undertakes has declined. Academic research has suggested a correlation between inspections carried out and employers' compliance with their health and safety duties. Furthermore, the results of the recent HSE "blitz", which led to 30 per cent of sites inspected receiving an enforcement notice, highlighted the importance of inspections in ensuring health and safety laws are adhered to. (Paragraph 113)

17. The inspection process can act as a preventative measure, improving safety and reducing the potential costs of future enforcement and prosecution. We concur with our predecessor Committee and recommend that HSE increases its enforcement activity in sectors where health and safety performance has not improved as much as others. (Paragraph 114)

23. The Government welcomes the Committee's support for inspection as an important part of ensuring health and safety laws are adhered to. However, the research which it cites indicates that a variety of other factors are also influential in this respect.

24. HSE influences employers in many different ways; including the provision of advice and guidance, and interventions through inspection, campaigns, blitzes, investigation and formal enforcement. Changes in employer motivation cannot solely be achieved through increased inspections. The prime factor which governs whether there are fatalities, injuries or ill health at work is the motivation of the employer.

25. Enforcement activity, including action in priority areas, is governed by the HSE's published Enforcement Policy Statement. This is consistent with the principles set out in the Macrory and Hampton Reports, the Enforcement Concordat and the new statutory Regulators' Compliance Code.

18. We heard concerns that the Fit 3 programme, whilst designed to create an efficient, target-based approach to inspection, is in fact limiting the ability of inspectors to apply their professional judgement on a site by site basis. Furthermore, HSE evidence shows that Fit 3 has had no impact on the reduction of slips and trips in any sector. We recommend that HSE examines the relevance of the programme more generally given its failure to reduce the number of slipping and tripping accidents. HSE should set out a timetable for the introduction of more locally-led initiatives under the Fit 3 programme and for assessing the effectiveness of the "Fine-Tuning Review". (Paragraph 120)

26. The Government disagrees with the view that the Fit3 Programme is unreasonably limiting the ability of inspectors to apply their professional judgement. HSE's inspectors proactively visit sites in high-risk sectors to focus on Fit3 priorities. In conducting such visits, inspectors are required to address any matters of evident concern that they encounter where there may be a risk of serious personal injury or ill health, and take action as they see fit in accordance with existing policies and procedures. Inspectors also enquire into matters of potential major concern which could cause multiple casualties or cases of ill health.

27. The Fine-Tuning Review set out to establish better ways of working between HSE's central programme management and operations, and to improve upon the existing balance and coordination of national campaigns and locally-led initiatives. Following the recommendations in the Review, the Fit3 Programme's portfolio of work for 2008-09 has been developed in a way that ensures local knowledge and expertise is utilised to the full.

28. The Government does not agree with the statement that the Fit3 Programme has had no impact on the reduction of slips and trips in any sector. The ubiquity of slips and trips, which account for a third of all major injuries at work, presents a huge challenge, and HSE recognises that there is no simple and quick way to change perceptions about managing these risks, and to achieve sustained behavioural change. Progress in particular sectors is being made. For example, there was a 17.3% reduction in the incidence rate of major injuries due to slipping and tripping in the Hotels and Restaurants sector between 2004-05 and 2006-07. There are also case studies on the HSE website of successful initiatives which have led to significant decreases in incidents. Recently, HSE has run a campaign ("Shattered Lives") to raise awareness of the serious impact of slips and trips accidents. This has had a very strong response, far exceeding any previous HSE campaign, in terms of people actively seeking information and guidance through HSE's website.

19. Given the inevitable increases in the proportion of its reactive work, HSE is unlikely to reach its aspiration to achieve a 60:40 ratio in its proactive: reactive caseload. By HSE's own admission it is currently failing to achieve this and will continue to do so in the future, as new developments skew its focus towards reactive work. We are disappointed by this, particularly given the considerable evidence we received suggesting the importance of proactive inspections. We call upon HSE to publish empirical evidence proving what the optimal mix of reactive and proactive work should be, and to allocate its resources accordingly. (Paragraph 123)

29. The Government believes that too much weight is being placed on the numerical value of the ratio. As the Committee heard, this ratio is an aspirational indicator of the very broad areas in which FOD's resources are deployed. It has been developed through experience and there is no evidence to 'prove' what the optimal mix is. Further work is taking place within HSE to determine how best to manage the demands of reactive and proactive work, through trials of different organisational models. Other operational directorates within HSE deliver more proactive than reactive work and HSE staff in non operational directorates also contribute to proactive activity.

30. HSC's Enforcement Policy Statement determines the appropriate enforcement action when breaches of legislation are found and HSE's Incident Selection Criteria outline which incidents are investigated. FOD's enforcement and investigatory work is essential and the Government notes the steps that HSE is taking to ensure this is carried out more efficiently, and consistently. Much of HSE's investigatory work has similar benefits to those of proactive work, in that duty holders change their management practices to ensure failures do not re-occur so improving overall standards of health and safety.

31. The Government knows of no evidence about the optimal mix that is capable of being produced or published in the way requested by the Committee.

20. We are concerned that HSE's construction inspectorate is not adequately resourced to ensure the maintenance of health and safety standards in the construction industry. We are convinced that there is a correlation between inspection and safety standards. The recent 28% increase in construction fatalities underlines the need for more resources. (Paragraph 130)

32. The Government does not believe that a correlation can be drawn from one year's fatal accident figures and resources. It is committed to maintaining the capacity of HSE's Construction Division, in line with its wider commitment to maintaining frontline capacity [see conclusion 61]. The commitment to maintaining operational construction capacity is influenced more by longer term trends than a single year's statistics. The Committee highlights a difference of 28% in fatal injuries between 2006/07 and 2005/06. However, the Government notes that 2006/07 represented a peak in recent experience, and is not representative of the general longer term downward trend of both fatal injury numbers and rates.

21. The Committee commends DWP's initiative in setting up the Construction Forum and we call on Government to report on progress against the key areas in the "Framework for Action" so that the momentum for change is not lost. (Paragraph 135)

33. The Government welcomes the Committee's support for the Construction Forum. The construction industry agreed that the Strategic Forum for Construction's Health and Safety Task Group would coordinate implementation of the "Framework for Action". The Task Group agreed to report to Government on a regular basis. The first report was prepared in January and published on the Strategic Forum for Construction's website (<http://www.strategicforum.org.uk/report.shtml>). The Government is pleased about the positive response the industry has taken to the challenges laid down at the Construction Forum and looks forward to meeting with the Strategic Forum's Health and Safety Task Group in the near the future to hear about further progress.

22. We are extremely concerned at the number of incidents and fatalities involving tower cranes and other plant on construction sites and call on the HSE to urgently bring forward proposals such as a national register of plant to include ownership, age, design type, date of last inspection and any other relevant factors. (Paragraph 137)

34. The Government shares the Committee's concern about tower crane safety but does not consider that a national register is the best way forward. There is an enormous range and quantity of plant used in the construction industry and it moves between sites frequently. Establishment and maintenance of such a register, even if it were limited to

tower cranes, would be burdensome and unlikely to have the desired effect on safety standards.

35. Owners and users are already legally obliged to ensure their plant is inspected, examined and maintained in a safe condition. HSE is working with the Strategic Forum for Construction to ensure that the industry understands and promulgates the practical measures it needs to take to comply with these legal requirements.

36. Although HSE cannot report on particular incidents until legal proceedings are concluded, it has taken into account findings emerging from investigations, including those at Battersea and Liverpool, in determining its strategy for tower cranes and its programme of field work.

23. Permissioning regimes are an essential tool in managing risk in high hazard industries but HSE must ensure that high safety standards in respect of everyday and major accident hazards are maintained with regular safety inspections and enforcement. (Paragraph 144)

37. The Government agrees with the Committee's view of permissioning regimes. All such industries are subject to an HSE intervention strategy that seeks to strike a balance between assessment of safety cases or reports and inspection activity. Below that, each plant and installation has an intervention plan which sets out the frequency and nature of HSE interventions. These plans include a programme of proactive inspection to test out and verify the management systems, plant and equipment critical for the effective control of major accident hazards.

24. The Committee calls on HSE to report on what actions have been taken to rectify the failures to manage risk in the offshore industry that were identified by HSE's Asset Integrity Report. We urge HSE to ensure that the undertakings made by operators in safety cases are implemented through a robust and proactive inspection regime. (Paragraph 153)

38. HSE's offshore asset integrity report was the product of a special three year programme of work focusing on the importance of maintaining the offshore infrastructure in a safe condition. Where inspections revealed that remedial action was necessary to ensure continuing integrity follow up action including enforcement was taken on individual installations. The operating companies also took steps to address wider issues and generic concerns. When the report of the overall programme was published in November 2007, the offshore industry had already put in place improved procedures, and was developing better indicators to monitor integrity management performance.

39. HSE's current offshore intervention programme includes specific projects intended to determine how effectively the industry as a whole has implemented the findings of the report. The outcome of this work will be published in 2009 as an update to the installation integrity report.

25. The Committee supports moves to increase the protection and independence of Offshore Safety Representatives and committees. (Paragraph 155)

40. The Government acknowledges the important role that safety representatives undertake on offshore installations and notes that HSE is working closely with the trade unions and the offshore industry to improve the effectiveness of worker involvement offshore.

41. HSE will continue to challenge the offshore industry to raise its game on worker involvement during site inspections and in the course of more strategic engagement with key stakeholders. As part of HSE's offshore inspection programme inspectors will look into the effectiveness of workforce engagement, particularly the legal requirement for duty holders to consult safety representatives during the preparation, revision and review of offshore safety cases. HSE will also invite safety representatives to annual performance review meetings which are held with each offshore operator.

42. HSE will also build on the successful workforce involvement event held recently in Edinburgh.

26. The Committee calls on HSE to take urgent steps to address the loss of inspectors from its offshore division. Maintaining the quality of the offshore division inspectorate is essential in ensuring strong safety standards and is also in the interests of operators. We urge HSE to discuss with the offshore industry funding models for the industry to contribute to maintaining a highly skilled offshore inspectorate. (Paragraph 158)

43. The Government agrees with the Committee on the importance of maintaining the quality of HSE's Offshore Division and notes that HSE has maintained continuous recruitment to secure inspectors of the required expertise and experience. Offshore Inspectors' pay is currently under review. In addition steps are being taken to improve succession planning and career development to improve retention and increase numbers of more experienced inspectors in the Division.

44. The Government also notes that new funding models are under discussion with the industry. Subject to a satisfactory outcome of these discussions a new model should be in place by April 2009.

PROSECUTIONS AND PENALTIES

27. The Committee welcomes the increase in the number of prosecutions between 2005/06 and 2006/07 but notes that whilst there has been an increase in the number of prosecutions and convictions brought by HSE in the last 12 months, there has been a downwards trend almost continuously since 1999/2000 . Numbers of convictions have also declined from 1,273 in 2002/03 to 848 in 2006/07. A robust system of prosecution and conviction is needed to enforce health and safety law and act as a critical deterrent to those inclined not meet their legal obligations. (Paragraph 164)

45. The Government agrees with the need for a robust enforcement system and fully supports HSC's Enforcement Policy Statement, which drives HSE's prosecution activity. HSE will continue to prosecute serious breaches of health and safety law where there is the evidence to support a prosecution and it is in the public interest to do so. HSE, as a prosecutor, has no direct control over conviction rates.

28. We consider that across the whole of Great Britain the HSE should be able to recoup its costs following a successful prosecution of which it was a part. Unless there are special circumstances, this should amount to full reimbursement. It is reasonable that those found guilty of serious health and safety breaches should meet the legal costs incurred. We recommend that the Scottish Executive should review its current arrangements in this regard. (Paragraph 166)

46. HSE normally applies for full costs following a successful prosecution in England and Wales. However, the Government recognises the freedom of the courts to make the final decision on costs for each case based on the information put in front of them and guidelines provided by the Ministry of Justice. The sentencing guidelines for magistrates include guidance on the setting of costs, which have to be just and reasonable. They include consideration of ability to pay and should be proportionate to the level of fine imposed.

47. The Scottish legal system and the operation of the courts in Scotland are the responsibility of the Scottish Executive.

29. We recommend that the HSE reconsiders its decision to stop publishing its annual Offences and Penalties report. This provided an important evidence base for future policy decisions. (Paragraph 171)

48. The Government does not believe it necessary for HSE to publish a separate Offences and Penalties report. HSE continues to publish annual statistics on enforcement data in its overall statistics on Health and Safety in Great Britain and details of all formal enforcement notices and convictions are published in its enforcement databases on the HSE website. HSE continues to use its detailed enforcement information as an evidence base for policy development.

30. The independent Macrory Review found that the average fines for health and safety offences are too low and HSE agrees with this. We await the outcome of the Sentencing Advisory Panel's draft guidelines for corporate manslaughter and the Health and Safety at Work Act 1974 in England and Wales, but this will not address the problem of disproportionately low penalties where there is no fatality. In the light of our earlier recommendation to prevent the standard of legal proof from being raised from "reasonable practicability" to strict absolute liability, we conclude that legislation is required to increase the maximum penalties available to the courts in examining breaches of health and safety law. (Paragraph 180)

49. The Government recognises the views of the Committee and others on the level of fines for health and safety offences. The Health and Safety (Offences) Bill, sponsored by Keith Hill MP, is currently passing through Parliament with Government support; and was read for a third time on 13 June. The Sentencing Guidelines Council published revised Magistrates Court Sentencing Guidelines on 12 May and these are due for implementation on 4 August.

31. In the event of the Health and Safety (Offences) Bill becoming law we would recommend that a proportion of the income from increased penalties be returned to HSE to enhance its investigative capability. We are also concerned at the low level of costs awarded by courts which bear little relationship to expenditure incurred by HSE in mounting prosecutions and ask that the Department consult with the Ministry of

Justice and the Scottish Justice Minister on the potential for further guidance to the courts. (Paragraph 181)

50. The Government's present position on hypothecation of fines is limited to its application to certain motoring offences and road safety programmes. We consider a more widespread hypothecation of fines would lead to the perception of potential income skewing prosecution decisions. (The issue of 'costs' is covered in the response to conclusion 28).

32. We believe there is scope for HSC to introduce alternative penalties to deal with those in breach of their health and safety duties. We recommend that HSC should re-visit whether innovative penalties could be incorporated into its enforcement policy document. (Paragraph 185)

51. The former HSC previously considered alternative penalties and concluded that regulators enforcing health and safety at work legislation already have access to an adequate range of enforcement powers which enable them to respond proportionately to breaches of the law. For this reason the Government supports HSE's view that currently there is not a strong case for seeking additional sanctioning powers though it would not rule out changes in the future.

HSE AND LOCAL AUTHORITIES

33. The Partnership Liaison Officer (PLO) programme is a key component of the partnership approach between HSE and Local Authorities. It is disappointing that HSE appears to be unable to resource this programme fully to achieve its aims. We urge HSE, in partnership with Local Authorities, to ensure that the PLO programme is sufficiently funded. (Paragraph 193)

52. The Government agrees that Partnership Liaison Officers and Local Authority secondments to HSE make an important contribution to the Local Authority/HSE partnership. HSE is currently considering future funding for these secondments as part of its planning consequent on the CSR2007 settlement. The Local Authority Co-ordinators of Regulatory Services is party to these discussions.

34. While accepting that Local Planning Authorities should have ultimate responsibility for local planning decisions, we believe that HSE has an important advisory role to play. We conclude that it is vital that DWP liaises with the Department for Communities and Local Government to ensure planning decisions reflect the importance of HSE's role in the process. (Paragraph 198)

53. The Government notes that HSE and the Department for Communities and Local Government, and the devolved administrations in Wales and Scotland, are in regular contact about ways to ensure that HSE's input to land use planning around major hazard sites is delivered and used in a way which best balances the safety of the public with the need for economic and social development.

WORKER INVOLVEMENT

35. We are convinced that trade union safety representatives can be effective in improving health and safety standards and we are disappointed that, notwithstanding

its public pronouncements, the HSC/E has not done more to promote their role. We call on the Minister to set out what steps he plans to take to enhance the role of safety representatives. (Paragraph 208)

54. The Government strongly supports the work of health and safety representatives and values their contribution to improving health and safety at work. It does not agree that insufficient is being done to promote their role. HSE has a number of initiatives to promote the role of health and safety representatives and the benefits of involving workers, examples include dedicated web pages on its website for health and safety representatives, the provision of information and tools on manual handling for health and safety representatives training courses and the involvement of health and safety representatives in HSE's campaigns.

55. HSE has plans to publish a good practice guide later this year on worker engagement and on how to ensure a cooperative approach to health and safety management with workers and health and safety representatives.

56. The responsible Minister is taking forward a programme of visits and engagement with health and safety representatives and trade unions throughout this year.

36. We call on HSE to publish a final evaluation of the Workers' Safety Adviser Challenge Fund, explaining the reasons why the pilot will not be rolled out, before the important lessons that could be learnt are lost. We believe worker involvement is a means of improving health and safety standards in non-unionised workplaces, benefiting employers and employees alike, and call on HSE to work with industry to explore models for the future funding of such projects. (Paragraph 218)

57. The Government would wish to draw the Committee's attention to the evaluation reports from the first and second years of the Workers' Safety Adviser Challenge Fund which are available on the HSE website. HSE decided it did not represent value for money to proceed with the evaluation for the third and final year, given that additional information would have added comparatively little to the previous evaluations. The former HSC at its meeting in November 2006 discussed a paper which included an overview of the key findings from the Fund's evaluation and decided to discontinue the Fund as from March 2007. The HSC minutes published on the HSE website record the discussion and conclusions.

37. We also urge the Government to consider amending the Health and Safety (Consultation with Employees) Regulations 1996 to give employees the right to insist on consultation through elected health and safety representatives. The proper enforcement of these regulations is essential to safeguard the rights of non-unionised workforces. (Paragraph 219)

58. The former HSC previously spent considerable time trying to establish a consensus with employers and trade unions for legal change, culminating in a discussion at its meeting in June 2007. In the event it was not able to achieve a consensus even for minor changes to the legislation, nor did it identify evidence that could demonstrate, at that time, a clear cost benefit for such changes. .

38. If the legislation governing worker's involvement in health and safety is to operate effectively, it must be backed up with credible enforcement. We call on HSE to increase its efforts in taking enforcement action against duty holders who fail in their obligations to consult workers on health and safety matters. (Paragraph 225)

59. The Government expects HSE to enforce all health and safety law in a proportionate and consistent manner. HSE has issued written advice to inspectors on the consultation and involvement of workers. HSE inspectors use the full range of enforcement tools available to them from advice to the issuing of enforcement notices and prosecution. However, the Government considers that disputes between employers and trade unions or employees are normally best settled through existing machinery for resolving industrial relations problems. Prosecution by HSE should be seen as a last resort in these cases, as such action will not stimulate the trust required between employers and their workers to improve health and safety at work.

VULNERABLE WORKERS

39. There is currently no reliable evidence on whether migrant workers in the UK are more or less vulnerable to workplace accidents and therefore no basis on which to draw up policies targeting these potentially vulnerable groups. We welcome the research that HSE is carrying out on migrant workers and we urge HSE to increase its efforts in ascertaining what data is required to measure the risk factors for this group of workers. (Paragraph 236)

40. We recommend that HSC extends the guidance for migrants on health and safety issues and take steps to ensure its targeted dissemination amongst migrant workers. The HSC should also investigate ways of proactively informing employers about their duties and responsibilities when employing migrant workers. (Paragraph 242)

60. The Government recognises the importance of improving the quality of evidence concerning the health and safety risks faced by migrant workers, and the incidence of injury and ill health impacting on them. HSE is taking action to further improve the quality of its evidence, including analysis of results from a major survey in late 2007, changes to its internal data recording systems implemented last year, and further proposed research.

61. The Government agrees with the Committee on the importance of disseminating appropriate guidance for migrant workers and for employers. HSE is working to achieve this, often in partnership with other agencies and stakeholders. In April this year HSE launched its migrant workers' web pages providing information for both migrant workers and employers.

41. We recommend that the guidance produced by HSE and trade unions on agency workers should be clearly signposted for employers and workers through HSE's website so that all stakeholders are aware of its existence. (Paragraph 246)

62. The Government will ensure that HSE improves the signposting for this guidance through its website.

42. We welcome HSC's support for the idea that health and safety for vulnerable workers can be improved by encouraging those at the top of supply chains to positively influence their contractors. However we call on HSE to explain how it intends to ensure prime contractors at the top of supply chains embed good practice in health and safety for those workers throughout these supply chains. We believe that there may be a need to introduce statutory duties on prime contractors and we ask HSE to assess the effectiveness of international examples of such regulation. (Paragraph 251)

63. The Government agrees that important health and safety benefits can be obtained by working through supply chains. HSE is currently working on a number of initiatives with prime contractors in different sectors of the economy. Examples include work in the construction sector to reduce musculoskeletal injury from handling heavy block products; and with a major supermarket chain to promote better management of health and safety for large numbers of migrant workers in its fresh products supply chain.

64. The Government does not, however, see a need to introduce new statutory duties on prime contractors beyond the requirements of Section 3 of the Health and Safety at Work etc Act 1974 and the provisions already existing in the Construction (Design and Management) Regulations 2007. HSE seeks regularly to learn from relevant international experience.

OCCUPATIONAL HEALTH

43. We do not believe that the SR04 PSA target for HSE to reduce the number of working days lost due to work-related injury and ill-health provided a realistic and appropriate target for HSE as many of the factors affecting its achievement are outside its control. (Paragraph 263)

44. Although the PSA targets relating to occupational ill health have been replaced with a Departmental Strategic Objective, we request that HSE continues to collect data on numbers of working days lost due to work-related injury and ill health. We also ask DWP to confirm that performance against the key indicators for the Departmental Strategic Objective will be fully reported on in the Departmental Annual Report and Autumn Performance Report. (Paragraph 264)

65. The Government recognises that delivering PSA targets requires action by many different parties in addition to HSE and that there are many external factors and interdependencies which influence the direction and degree of attainment of the targets. The setting of targets by the then Deputy Prime Minister when he launched the Revitalising Health and Safety Strategy in 2000 was a key driver in focussing the efforts of HSE and stakeholders who could influence health and safety on key priorities. The Government confirms that performance against the key indicators for the DWP's Strategic Objectives will be fully reported in DWP's Departmental Annual Report and Autumn Performance Report.

45. The Committee finds it unacceptable that HSE acknowledges that it makes its policy decisions on flawed and incomplete data. RIDDOR is not fulfilling its role and HSE is failing in its duties to enforce obligations under the regulations. We call on HSE to urgently address the shortcomings in its data collection. (Paragraph 277)

66. The Government accepts that HSE's data on ill health is incomplete and that individual elements have limitations, but does not accept the implication that HSE's policy decisions are therefore flawed. Policy is developed using a range of evidence of different kinds, recognising their different reliabilities. As was pointed out at the Committee having an evidence base that is neither complete nor totally reliable does not preclude HSE from developing strategies and focus in appropriate areas. HSE's policies are developed using evidence from a range of sources including RIDDOR, the Labour Force Survey, THOR medical surveillance schemes, death certificates and from surveys of working conditions including employers' and employees' attitudes and behaviours on health and safety matters. Policy development is also supported by evidence of other kinds on the nature of hazards and on methods of risk control.

67. As regards RIDDOR specifically, its primary role is not statistical, but as a source of field intelligence, particularly in relation to safety. Complete reporting is not a practical proposition. For many small employers the frequency of reportable events will be very low, so it is difficult for them to maintain awareness of this duty and of the means of discharging it. For ill health conditions only a limited range are reportable under RIDDOR and, even for these conditions, employers can face a difficult task in determining when to report. As a consequence, it has always been recognised that RIDDOR occupational ill health data is only part of the occupational ill health picture.

68. HSE has taken successful action against duty holders for non-reporting when there are aggravating features that support prosecution under RIDDOR as well as the main issue of the poor work practices that lead to the death, injury or ill-health. This is in line with the principles set out in HSE's Enforcement Policy Statement. In the last 12 months HSE has taken cases for failure to report both ill-health and injuries to employees.

69. In 2006 following a fundamental review of RIDDOR, the former HSC concluded that despite RIDDOR's recognised shortcomings no radical change was merited.

70. The Government agrees that HSE must continue to address the shortcomings in its data collection and strive for improvements in both its quality and coverage. Obtaining complete and flawless data is not a practical proposition and HSE has been open about the difficulties of statistical measurement in this area. Its current approach stems from discussions at an expert workshop in December 2000, and was set out in a "Statistical Note" in July 2001 (<http://www.hse.gov.uk/statistics/statnote.pdf>). HSE recognises that there has been growing concern about whether its approach to ill health measurement remains the most appropriate and therefore plans to hold a further expert workshop later this year. This will both review HSE's approach to ill health measurement and target-setting and discuss the rise in self-reported work-related ill-health in 2006/07.

46. We commend the work that the HSE has done on Stress Management Standards but we call on HSE to increase its efforts to disseminate its guidance on the standards to SMEs. We are not yet convinced that the standards need to be placed on a statutory basis but we will await further research on their effectiveness with interest. (Paragraph 286)

47. We believe that there is potential for HSE to build on its Stress Management Standards as a tool to demonstrate what a 'good', healthy workplace should be

including what constitutes a good occupational health structure within an organisation. (Paragraph 290)

71. The Government welcomes the Committee's recognition of the work done by HSE to identify the causes of work related stress and the development of its Stress Management Standards. HSE decided initially to promote the use of the Standards in large organisations, particularly in the public sector, where evidence showed that they could achieve improvements for the greatest number of people. HSE is now taking steps to make the information on its website more accessible and in a form which can be adapted to suit different businesses.

72. As the Committee has noted it is, as yet, too early to form clear conclusions as to how effective the Management Standards are but HSE has an evaluation process in place to guide future developments. As part of its evaluation HSE will consider what, if any, advantages might be gained in establishing a statutory basis for this approach. Work related stress does not lend itself to the more familiar enforcement approaches because the results of preventative interventions are less certain and depend on a range of factors, both at and outside of the workplace.

73. The Government supports HSE remaining a key partner, along with the Department for Health and DWP, in the Health Work and Well-being strategy. Providing access to good occupational health is an important factor in preventing work related ill health. One of HSE's main contributions to the "good jobs" agenda is to highlight the impact of management actions and cultures on the psychosocial environment at work. The HSE Board will consider these matters further as part of the development of its future strategy for health and safety in Great Britain.

48. It is crucial that inspectors have the expertise to conduct comprehensive inspections and investigations and are able to offer accurate advice. We recommend that HSE ensures occupational health is embedded in the inspectors' training programme. (Paragraph 295)

74. The Government agrees on the importance of occupational health training for HSE inspectors. This has always been a feature of the training and development programme of trainee inspectors and its amount and depth has been substantially increased recently with the start of the new Diploma course delivered by Warwick University in partnership with HSE. The approach uses a blend of direct tuition and practical work-based experience.

75. In addition, HSE has recognised the importance of maintaining and further developing key skills in occupational health throughout an inspector's career, and a project is underway to develop such an approach.

49. We believe that if the Government is committed to combating ill health in the work place then enforcement action needs to be taken against those who breach their statutory duties. (Paragraph 298)

76. The Government fully agrees with this view and supports HSE in continuing to consistently and proportionately enforce health and safety legislation in line with HSC's Enforcement Policy Statement.

50. If businesses would be expected to pay towards the consultancy service we are unconvinced that take-up would be sufficient when a free service failed to reach its advice line targets. We would also be concerned if advice services were tax-payer funded in Scotland and Wales but not in England. (Paragraph 318)

77. The Government notes the Committee's view on this point. It will be explored as part of the Government's response to Dame Carol Black's report and also in the evaluation of the Workplace Health Connect Pilot to be published in early 2009.

51. We believe that EMAS has an important role as an advisory service for doctors and employers as well as HSE. We endorse Dame Carol Black's emphasis on occupational health provision and support her contention that there is a need for an occupational health advice service for medical professionals and employers. In time we see the role of EMAS being supplanted by a national occupational health service as envisaged by Dame Carol Black; we await the Government's response to her report with interest. This will enable HSE to re-allocate resources to core workplace health and safety functions. However we are concerned by evidence of a decline in the numbers of occupational health professionals. (Paragraph 319)

78. The Government notes the Committee's concern in relation to the decline of occupational health professionals. Occupational health has changed considerably since EMAS was established. The industrial processes that caused traditional occupational diseases have either ceased or employ far fewer people. Many causes of ill health and absence from work are not purely related to exposure at work, but often have social or environmental causes. Accordingly the role of occupational health professionals has changed and advice and information is now delivered through a much wider range of specialists other than occupational health physicians. HSE will continue to focus the work of its doctors to best deploy their specialism and use other specialists to deliver appropriate occupational health advice.

52. We are convinced that HSE must continue to play an important role in occupational hygiene regulation and enforcement. (Paragraph 324)

79. The Government agrees. Occupational hygiene regulation and enforcement has an important role to play in the reduction of work related ill-health and disease and HSE will maintain a sufficient level of occupational hygiene resource. HSE is probably the largest single employer of occupational hygienists in the UK. This resource is actively engaged in regulation, enforcement and working with the professional bodies and others in the wider health and safety community.

53. We commend Dame Carol Black's vision for a Fit for Work service and look forward to the Government's response to her report. We are concerned whether exhortation will be enough to engage employers in the provision of vocational rehabilitation and we await with interest the findings of Lord McKenzie's task force. We believe that there may be a need to incentivise employers financially. (Paragraph 330)

80. The Government recognises the Committee's concerns on the need for financial incentives. The Vocational Rehabilitation Task Group charged the insurance industry representative on the group to develop an evidence based business case to demonstrate the

costs and benefits to all parties which would accrue if current disincentives were removed and incentives provided. The industry was also challenged to develop products that were clearly separate from private medical insurance. A completed business case is expected this summer.

54. We received evidence which highlighted the close link in some countries, such as Germany, between Employers' Liability Insurance premiums and standards of health and safety. We recommend that the Government, together with the insurance industry, investigate the case for developing a similar approach in the UK to increase the incentive for employers to improve their health and safety performance. (Paragraph 336)

81. The Government has considered such an approach as the Committee recommends and has conducted a number of reviews of Employers Liability Compulsory Insurance (ELCI) in recent years. These showed that under normal market conditions the pricing of ELCI is more influenced by other insurance products sold to employers rather than the degree of risk accepted by insurers. The Government is always interested in new initiatives to incentivise improved health and safety performance and is looking with interest at EEF's risk management benchmarking system which directly links insurance premiums to an employer's investment in health & safety and loss prevention.

82. The Government notes that under the German system an injured worker cannot go on to sue an employer if the person thinks the employer was liable. In the UK an individual can seek compensation through the courts even if a payment has already been made for the same injury by the state funded no-fault scheme.

55. We recommend that the Government introduces a similar system in England and Wales to the health and safety award scheme "Healthy Working Lives" which operates in Scotland. We also urge the Government to include a health and safety component in the Investors in People award as a means of encouraging employers to maintain good health and safety standards. (Paragraph 340)

83. The Government welcomes the support for the Healthy Working Lives scheme and encourages HSE and others to continue to work closely with the scheme. Following the evaluation of the Workplace Health Connect pilot and the development of the new strategy HSE will set out how it will encourage employers to maintain good health and safety standards.

56. We support the Institution of Occupational Safety and Health's work to embed health and safety in education. We urge the Government to do more to ensure that health and safety components are included in higher education programmes, such as MBAs, to ensure that future business leaders understand the importance of creating safe working environments and maintaining a healthy workforce. (Paragraph 344)

84. The Government welcomes and supports the work carried out by professional bodies to embed health and safety in education. The Government notes the work HSE is carrying out to influence the degree to which risk management techniques are taught in schools and other educational establishments, in particular in universities where undergraduate courses lead to entry into safety critical professions such as engineering and design.

57. HSE's explanation for its planned underspend is unacceptable and we note with dismay that this was never mentioned in our meetings with HSE or the Minister in November or in March. We call on DWP to clarify the reasons for this obfuscation. (Paragraph 349)

85. The Government rejects the Committee's criticism. When asked, the Government has always explained HSE's fiscal plans for the CSR 04 period.

86. The reason for the underspend relates to a financial strategy that links the 2004 and 2007 spending review periods. HSE deliberately boosted spend in 2005/06 to kick-start health and safety interventions. The plan was to scale back generally from this historic high level over 2006/07 and 2007/08. However, HSE identified that it had entered 2006/07 over-committed and therefore needed to rein expenditure back further than expected in order to achieve a balanced budget by March 2008 and prepare itself better for the challenging government wide financial environment for the 2007 spending review period.

87. The financial settlement for CSR 07 was explained by Lord McKenzie at his appearance before the Committee on 5 March and there was ample subsequent opportunity to provide clarification if so requested.

58. Without an indication of projections of income and a profile of resources for financial years 2008-09 to 2010-11, we have not been able to obtain a clear picture of the true nature of HSE's financial settlement for CSR07. We are disappointed that it has not been possible to provide this information some six months after the CSR07 financial settlements were announced and within days of the start of the new spending period itself. We welcome the Lord McKenzie's assurance that resources for HSE are a high priority for DWP, but we ask DWP to provide the HSE final outturn for 2007-08 and a full profile of spending and income over the CSR07 period as soon as they are available. (Paragraph 352)

88. The Government set out its agreed CSR 07 settlement for HSE in a letter dated 28 February 2008 from the Secretary of State for Work and Pensions to the Chair of the Health and Safety Executive. The settlement provides funding of £689.5 million and has three additional elements. Firstly, HSE will generate £12m from improvements to its charging schemes. Secondly, DWP has agreed to provide up to £10m for early exit funding for managed exits around the relocation of the London headquarters to Merseyside. Thirdly, subject to Treasury agreement on DWP's retention of additional accumulated end year flexibility, HSE will be able to retain its additional accumulated end year flexibility. This latter figure is expected to be £13m and will be confirmed when year end outturns are finalised. Taking account of these three additional elements the settlement provides HSE with up to £724.5 million over the CSR 07 period.

89. HSE's final outturn will be published in its annual report and accounts due to be published in June 2008. A full spending and income profile will be developed as HSE finalises its new strategy in the latter part of 2008.

59. We are not convinced that HSE is best placed to take on responsibility for the Gangmaster Licensing Authority (GLA). GLA's remit extends further than health and safety at work, and the addition of this responsibility to HSE risks diverting its focus. We call on the Government to reconsider the proposal to transfer the GLA to the HSE. (Paragraph 356)

90. The Government notes the Committee's concerns. Ministers are currently considering the position.

60. We were disappointed to hear many of the criticisms that were raised during our predecessor Committee's inquiry concerning HSE's resources were reiterated by witnesses. There is widespread concern that HSE is inadequately funded and that this undermines its ability to regulate effectively within its core remit. (Paragraph 362)

91. The Government recognises that HSE, by virtue of its success and credibility, has and will continue to generate demands for action in a wide range of areas. It will always face difficult decisions about its priorities particularly in those areas where it cannot meet all of its stakeholder expectations. The new HSE strategy will set out its priorities to deliver key regulatory functions within its available resources.

61. We have made a case for HSE to increase its levels of inspection, which we believe will have a significant impact on compliance with health and safety legislation. This will require an increase in the numbers of front-line inspectors deployed by HSE. In view of the total lack of clarity in financial information supplied, it is not clear to us whether additional inspections can be financed from within the Comprehensive Spending Review 2007 settlement or whether additional resources will be required. (Paragraph 363)

92. The Government, whilst welcoming the Committee's support for inspection, does not accept that its Report makes a compelling case within HSE's overall resources for an increase in the levels of inspection or for an increase in the number of HSE's front line inspectors. Nor does the Government agree that there was lack of clarity in the financial information provided to the Committee.

93. The Government remains committed to inspection, consistent and proportionate enforcement and maintaining progress towards the existing Revitalising Health and safety targets. It believes, however, that a balanced programme of interventions is the best way in which it can stimulate those with the main responsibility for achieving these targets. The Government has adequately funded HSE for the CSR 07 period, so that, amongst its other important activities, it can maintain the number of frontline inspectors and ensure that there will be no change to its Enforcement Policy.

94. The Government's commitment to maintaining frontline capacity has allowed over 40 new trainee inspectors to take up post in HSE since March of this year. HSE has also made offers of employment to 12 applicants for specialist inspector posts. Targeted, affordable inspector recruitment will continue.

95. In addition, HSE continues to bear down on overheads so that it can target proportionately more of its resource to front line activities. The Government also expects

HSE, along with all departments and public bodies, to continue to improve its productivity – including that in front line areas.

62. Furthermore, we are concerned at evidence that HSE is currently spreading itself too thinly. We call on DWP to evaluate whether HSE has the capacity to take on the additional responsibilities that it is being given as well as effecting the increase in deployment of front-line inspectors that we have argued is necessary. (Paragraph 364)

96. The Government recognises that the risk of HSE being seen as the regulator of last resort can lead to ever increasing demands on its resources. HSE will always have to carefully assess and select priorities but it is also appropriate to continue to consider possible synergies which may result from bringing regulatory bodies together. Following the 2005 Hampton report on regulatory inspections and enforcement HSE has absorbed a number of other regulatory bodies including the Office for Civil Nuclear Security, the Pesticides Safety Directorate, and the Adventure Activities Licensing Authority. Each transfer has been accompanied by resources from the original host department.

63. We commend the work of the Health and Safety Laboratory (HSL). However, we are convinced that the work of other similar testing centres would prove invaluable for HSL, and HSE by proxy, and any shortcomings in communication should therefore be addressed. (Paragraph 369)

97. The Government notes the Committee's comments. HSL engages in considerable national and international liaison. It is the standing 'Chair' of the world association of National H&S Laboratories (known as the 'Sheffield Group') and will as a result of this recommendation instigate a motion for better knowledge sharing at this year's conference in Helsinki. It is member of the EU equivalent of the Sheffield Group (PEROSH), and will raise this issue when the Group meets later this year. It will also do the same at the next meeting of the UK 'Interlab Forum' (an association of 6 UK Public Sector Laboratories from HSE, DEFRA and MoD).