

# HSE SAFETY

# CORNERSTONES

JULY 2017

## Avoiding a 'Systemic Failure' H&S Fine

Since 1st February 2016, there have been more than 600 organisations sentenced under the new Sentencing Council guidelines for health and safety offences. During that same period, the average cost of a health and safety fine has risen from £69,500 to £211,000. However, depending on the level of culpability, organisations may be fined as much as £20 million. In order to receive such a sizeable fine, an organisation must be found to be highly culpable, which requires evidence of a 'systemic failure' to address risks to health and safety.

Systemic failure occurs when an organisation suffers a health and safety breach attributable to a widespread failure in the systems put in place to manage risks—not merely a failure to manage risks from a single breach. This means that the court will scrutinise not just what led to the breach in question, but the overall efficacy of your risk management and health and safety processes. Moreover, if an organisation is found to have deliberately breached or has displayed a flagrant disregard for the law, the severity of the fine may be increased.

To help your organisation avoid systemic failure, you should conduct a thorough annual risk management and health and safety review of your premises and policies. Remember to keep track of your efforts. In addition, supplement your efforts by providing comprehensive safe work practices training for all your employees. For more guidance, contact **Crendon Insurance Brokers Ltd** today.

## Poor Staff Mental Health is Costing You

Mental health issues—which include depression, anxiety and stress—cost the UK economy £26 billion annually, according to the Centre for Mental Health. What's more, in 2015-16, work-related stress accounted for 37 per cent of all work-related ill health cases and 45 per cent of all working days lost due to ill health. From these numbers, it should be simple to recognise how poor mental health can negatively impact organisations by reducing productivity and profitability.

Recently, the charity Business in the Community published the findings from its Mental Health at Work Report, which found that 84 per cent of employees have experienced symptoms of poor mental health as a result of their work environment. Unfortunately, 35 per cent of employees did not feel comfortable approaching anyone for support.

To help your employees manage their mental health, and, to subsequently improve productivity, your organisation must establish a workplace culture that promotes the importance of positive mental well-being. To do so, consider developing a policy that outlines your company's commitment to making workplace mental health a priority. In addition, encourage employees to adopt a healthy work-life balance. To ensure that employees are able to achieve this goal, institute policies that support manageable workloads.

## HSE News and Prosecutions

### Company and Contractor Sentenced for Uncontrolled Collapse of Building

After the uncontrolled collapse of a building onto the High Street, Panther AL (VAT) Ltd was fined £160,000 and ordered to pay costs of £9,128.89, and a hired contractor was sentenced to nine months imprisonment. The contractor failed to perform a risk assessment and did not apply for a road closure before demolition work began, which placed members of the public at risk.

### Sentence Following Multiple Deaths on Excavation Site

After four workers were fatally crushed, Claxton Engineering Services Ltd was fined £500,000 and ordered to pay costs of £100,000, and Encompass Project Management Ltd was fined £200,000 and ordered to pay costs of £50,000. Workers were constructing a large steel structure when it collapsed on top of the group. In its investigation, the HSE found the company had serious flaws in its planning, management and monitoring of the project.

### Construction Company Fined After Member of Public Drowned

Glasgow-based construction company, Sandford Park Ltd, was fined £110,000 after an 83-year-old man walked onto a construction site and died. The site had been closed for the holidays and, as the man walked through, he fell into a flooded excavation site and drowned. In its investigation, the HSE found that the company failed to install the appropriate level of fencing around the site to prevent this type of incident from occurring.

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