

# Manufacturing Commercial Insurance Profile

## First Quarter 2018

## Rising HSE Fines Highlight the Importance of Compliance

In early January, the HSE announced that it would continue its programme of proactive surprise inspections at food manufacturing firms. These inspections are the organisation's latest effort to motivate firms to reduce the causes of ill health and injury.

Making health and safety a priority is an essential goal for all manufacturing firms, as HSE fines are higher than ever before. In fact, even though there were 51 fewer HSE violations that resulted in a conviction for manufacturers in 2016-17, the total fine amount for the sector more than doubled from £12 million in 2015-16 to £25 million last year. This averages out to £157,821 per conviction, and represents one-third of all HSE fines for the year (£69 million).

To avoid harsher health and safety fines, adopt the following guidance:

- Conduct a risk assessment for each piece of plant and equipment as well as each required task. This will help identify the three most common kinds of accidents in manufacturing: lifting/handling; slips, trips and falls; and contact with machinery.
- Keep detailed documentation of your efforts to address health and safety hazards to show an HSE inspector.
- Provide your employees with health and safety training each time they are assigned a new task, after an accident or annually.

However, if one of your employees is injured, remember you have access to [Fit for Work](#), which helps employees stay in or return to work by providing free, expert, and impartial general health and work advice. For additional guidance on how to make health and safety a priority, contact Crendon Insurance Brokers Ltd today.

## Be Wary of this Year's Major Risks

According to a recent report published by insurance industry experts, the manufacturing sector has several significant challenges to overcome this year. The most pressing of these include the following:

- **Skills gap**—There is an annual shortfall of around 20,000 skilled workers entering the sector.
- **Fourth Industrial Revolution**—Not enough firms are adapting to how digital and wireless technology is changing manufacturing processes.
- **Lack of apprentices**—Only 54 per cent of firms are training apprentices.
- **Health and safety**—Every firm has some type of lifting and moving risk, and 24 per cent of injuries in the sector were caused by lifting and 22 per cent by slips, trips and falls in 2016-17.
- **HSE prosecutions**—A staggering 98 per cent of HSE violations in manufacturing resulted in a conviction.

## 2017 Manufacturing Sector Retrospective

- **£240 billion** annually in exports



- **2.2 million** working days lost due to workplace injury and work-related illness



- **54%** of firms train apprentices



- **60,000** non-fatal injuries to workers



- **80,000** workers suffering from work-related illnesses



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