



Department for
Business, Energy
& Industrial Strategy



Office for Product
Safety & Standards

RD International

UK Approach to Enforcement and Inspections

- Stewart Gibbon
- Simon Trevenna

UK Government- our vision

- **Making regulation work for business**
 - *Regulation works when*
 - **Businesses are enabled to innovate, export and grow**
 - *because*
 - their burdens are minimised
 - they have the confidence to invest
 - they are not undercut by non-compliant businesses
 - *and*
- People and places are properly protected**



**Kelly Tolhurst, Minister for
Small Business, Consumers
and Corporate Responsibility**

The Office for Product Safety and Standards

The **Office for Product Safety and Standards** was launched in January 2018 in response to recommendations made by the Government established Working Group on Product Recalls and Safety.

We were created to provide **dedicated national capacity for product safety** while taking forward work on **supporting small business growth** and implementing the Industrial Strategy vision of **simplifying regulation**.

We are a Departmental Office within the Department for Business, Energy and Industrial Strategy (BEIS)

Responsibilities:

Policy and legislation – Product safety, legal metrology, hallmarking, Primary Authority, Growth Duty, Regulators' Code.

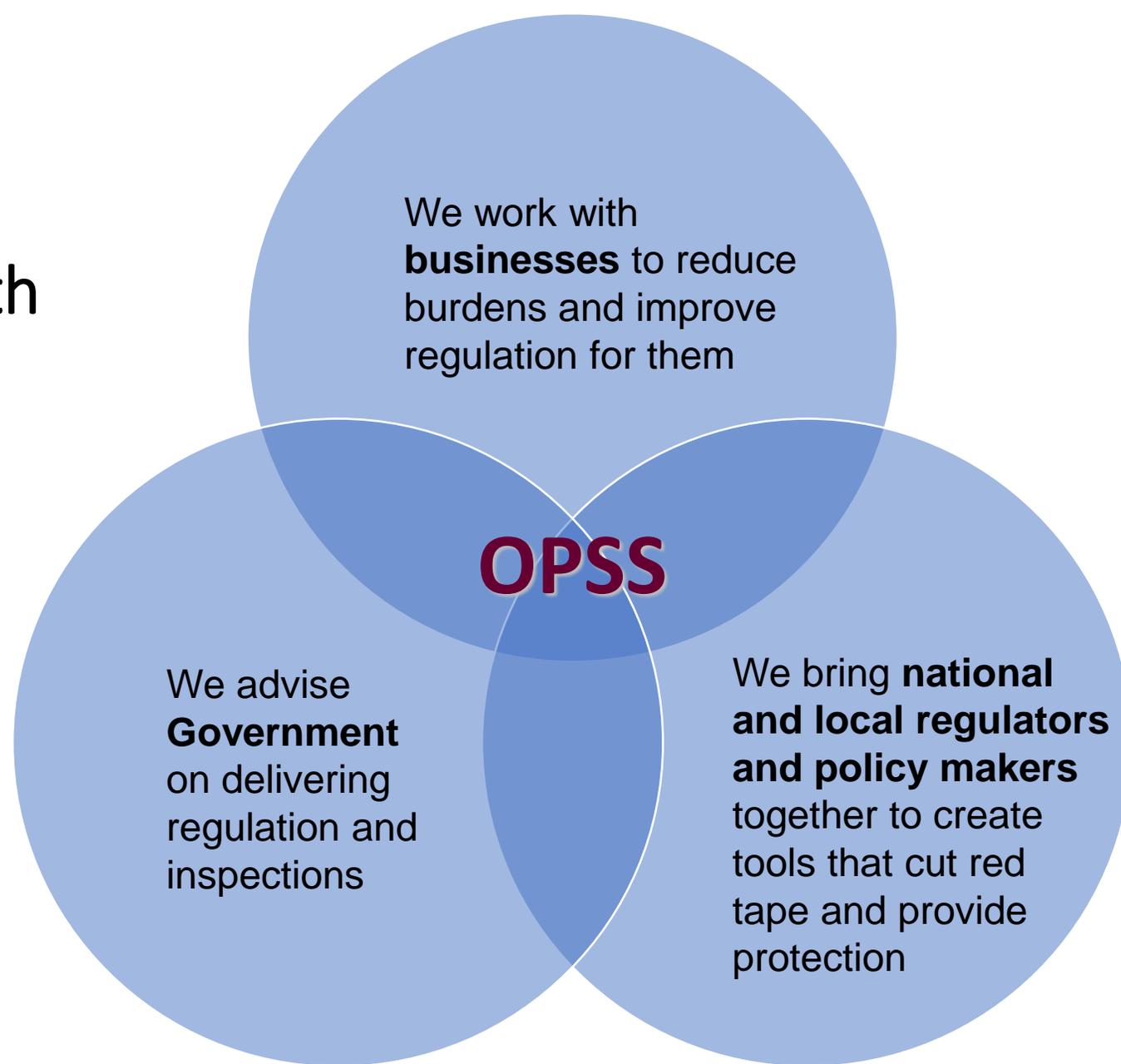
Enforcement authority – technical regulation e.g. energy labelling, legal timber, conflict minerals, and product safety

Engagement – businesses, local and national regulators and consumers 'can't regulate what you don't understand'

EU Exit - shaping and delivering an effective framework for product safety and legal metrology regulation

Trade and Investment – Technical assistance, conferences

Who we work with



UK approach to regulation



Whole regulatory lifecycle approach:

Rule making

- Reduction of unnecessary burdens on business
- Change in policy making culture - regulation only when necessary
 - One in one out
 - Red Tape Challenge
 - Alternatives to regulation
 - Regulatory impact assessment

Regulatory Delivery

- Reduction of unnecessary burdens on business
- Risk based, targeted, proportionate
- Change in culture
 - Better inspections
 - Consistent enforcement
 - Alternatives to enforcement
 - Measuring impact on compliance

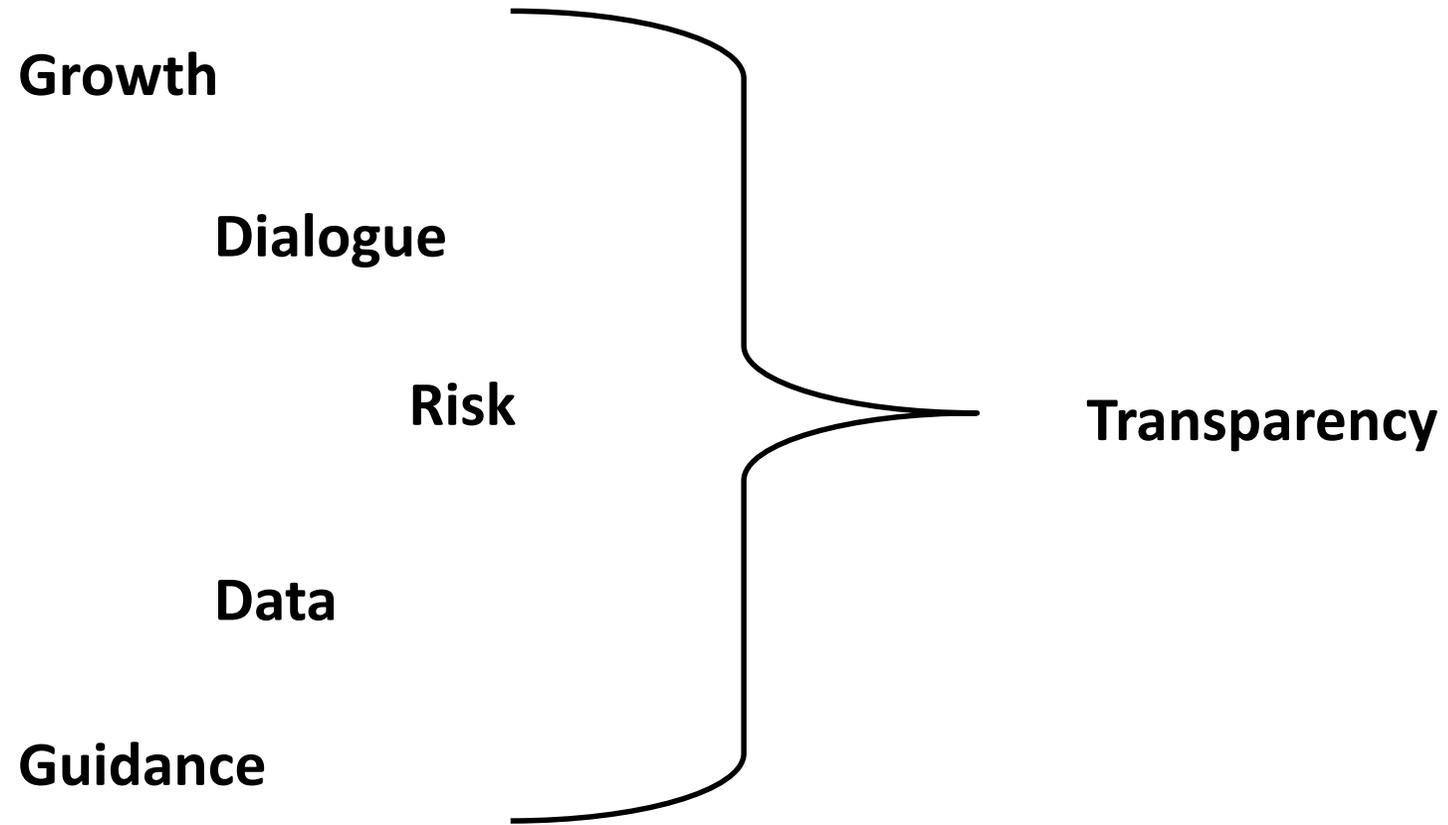
Statutory Principles of Good Regulation

- Regulatory activities should be carried out in a way that is:
 - **Proportionate** - Regulators should intervene only when necessary. Remedies should be appropriate to the risk posed, and costs identified and minimised
 - **Consistent** - Government rules and standards must be joined up and implemented fairly.
 - **Targeted** - Regulation should be focused on the problem and minimise side effects.
 - **Transparent** - Regulators should be open and keep regulations simple and user-friendly
 - **Accountable** - Regulators should be able to justify decisions and be subject to public scrutiny
- The principles apply at all levels:
 - Agreeing policies, processes and practices
 - The decisions officers make on a day-to-day basis

Regulators' Code

- A statutory Code
- Came into effect in April 2014, replacing the Regulators' Compliance Code
- All local authorities are in scope
- Regulatory areas in scope are defined by Order
- Requires local authorities to ensure that their staff understand the Code and the statutory principles of good regulation

Regulators' Code



Dialogue

- **“Regulators should provide simple and straightforward ways to engage with those they regulate and hear their views”**
- Have mechanisms to engage those they regulate, citizens and others to offer views and contribute to the development of policy and service standards
- Consider the impact and engage with business representatives before changing policy or service standards
- Clearly explain reasons for decisions and provide opportunity for dialogue
- Provide impartial and clearly explained route to appeal
- Provide clearly explained complaints processes
- Have a range of feedback mechanisms to enable and invite customer feedback

Transparency

- **“Regulators should ensure that their approach to their regulatory activities is transparent”**
 - Publish a set of clear service standards
 - These should include clear information on:
 - How they can be contacted
 - Their approach to providing information, guidance and advice
 - Their approach to conducting checks on compliance, including details of their risk assessment framework(s)
 - Their enforcement policy
 - Their fees and charges
 - How to comment or complain, and routes to appeal

Practical example: Citizen empowerment Scores on the doors

- Food Hygiene Rating Scheme – premises awarded rating for food hygiene –
- 5 – Very good to
- 0 – Urgent improvement necessary
- Can be looked up at www.food.gov.uk/ratings
- Can be checked via free mobile phone application

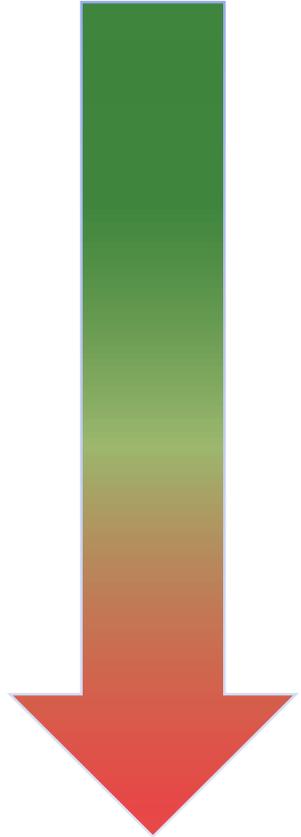


Target setting: *getting the right outcomes*

- Before starting any activity, we must ask ourselves why we are doing the work and what outcomes we hope to achieve
 - environmental protection
 - citizen safety and financial protection
 - human rights abuses



Approach to Enforcement



- Education
- Informal Warning
- Enforcement undertaking
- Compliance / Enforcement / Stop Notice
- Formal Caution
- Fines
- Product withdrawal / Seizure
- Court Action
- Publicity

Effective engagement with industry

- Obligation to achieve outcomes without burdening business
 - What will make businesses want to work with government rather than hide or deceive
 - How can we help companies realise that compliance is in their interest:
 1. Corporate Social Responsibility and other selling points
 2. Creating a level playing field
 3. Facilitating straight forward compliance, with minimal cost
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Example 1: White Goods Project



Example 1: White Goods Project

What we did previously

- Had sub-teams work on different areas of legislation concerning electronic products
 - Ecodesign
 - Energy Labelling
 - Hazardous substances (RoHS)
 - Product Safety
 -and more
 - Separate regulators working on similar areas
 - Made test purchases and then engaged with the company after identifying non-compliance (including issuing sanctions and taking to prosecution)
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Example 1: White Goods Project

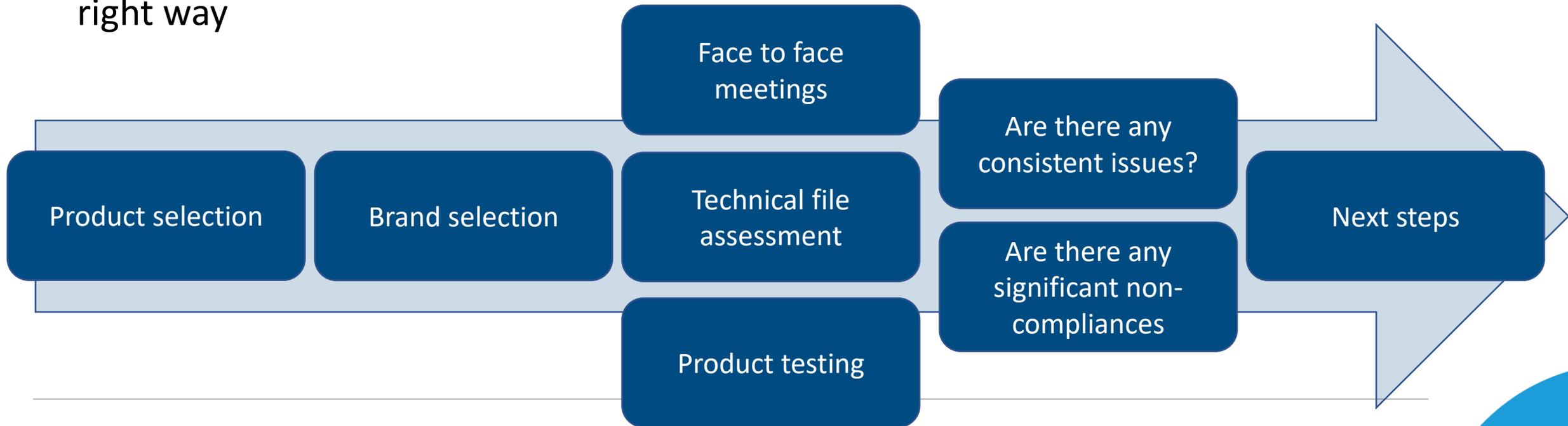
What we changed

- As a group, we collectively considered:
 - Routes to market
 - Quality Controls Systems
 - Approach to research and development
 - Methods of product testing
 - Compliance with conformity assessment procedures
 - Horizon Scanning
 - Code of Practice for Product Safety Recalls
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Example 1: White Goods Project

How this worked

- Engaged with companies to talk about systems as a whole, rather than concentrate on one product
- Look at general technical files and check whether they are fundamentally structured the right way



Example 1: White Goods Project

Outcomes from the project

- More effective dealing with a few key businesses
 - Greater efficiency of limited government resource
 - Less burden, duplication and cost to industry
 - Easier to improve compliance with large number of products through system checks
 - Gives industry fewer contact points to address multiple areas of legislation
 - Focus on achieving the goals in legislative purpose, rather than solely aiming for identification of individual non-compliance
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Example 2: EU Timber Regulation

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Initial challenge

- **2013 – 2014**

- 6,000 business importing timber into UK
 - multiple sectors
 - new legislation with very low understanding (particularly in small businesses)
 - focussed on awareness raising

 - only very large businesses had capacity to comply and it became apparent that supply chains had to be simplified
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Example 2: EU Timber Regulation

Moving forward

- **2015 - 2017**
 - risk based projects
 - intelligence led investigations with administrative enforcement sanctions issued
 - test purchased using scientific testing to verify timber
 - learned that legislative awareness needed to be spread further down the supply chain (outside the UK)
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Example 2: EU Timber Regulation

Finding solutions

- **2017 - 2019**

- formed industry reference panel
 - undertook series of educational workshops throughout UK
 - co-ordinated work and intelligence internationally

 - we continue to find 50% of the businesses we visit (through effective risk profiling) are non-compliant and spend significant time providing advice and guidance
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Example 2: EU Timber Regulation

What changed

1. Industry became happier to work closely with Regulators
 2. First prosecutions in Europe gave high profile to legislation without bankrupting companies or pushing others into hiding
 3. Less test purchases and time spent with individual companies
 4. More focus on sectors and trade associations as a whole
 5. Effective use of government money – helping many more businesses with targeted solutions
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Thank you for your time

