



Ark Workplace Risk Newsletter

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Outsourcing | Professional Services | Software & Analytics

WORKPLACE RISK, COMPLIANCE SAFETY & PERFORMANCE CONSULTANCY

Opinion

The aftermath of the UK voting to leave the EU saw immediate market volatility and uncertainty with organisational impacts in risk, operations, compliance and strategic perspectives. This left organisations reporting to the Board with the question on how workplace risk, compliance, performance and safety would be best managed and the need to identify the new risks and consequences associated with the uncertainty, how risks are managed and mitigated, and lastly what opportunities arise.

Post Brexit systems & reports need to address:

- Any enhanced impacts for existing risks such as changes in legislation and compliance
- Whether the complexity associated with unknowns need detailed impact analysis
- Available new technologies and techniques on the market to cope with potential impacts
- How your organisation can use this uncertainty further to differentiate for competitive advantage
- Whether Outsourcing Compliance to a third-party company could offer the stability needed in such uncertain times, creating outcomes and delivering benefits such as:
 - Increased flexibility
 - Expand or reduce capacity at short notice
 - Policy & legal compliance
 - Process improvements & strategic fit
 - Enhanced quality of service and resilience
 - Reduced costs & external impacts
 - Risk reduction & opportunity mapping

We hope you find this Newsletter informative and useful input for scenario planning. Please contact ARK if you would like to discuss any areas in more detail.

Yours faithfully

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Wellbeing - today

As workplace health has evolved, many different terms have been used to describe the industry. This includes workplace health management, corporate health, corporate wellness, health and productivity management and Workplace Wellbeing Programmes (WWP). ARK believes the term 'Workplace Health' best reflects today's approach which acknowledges the multiple determinants of employee health, and is more holistic and integrative in nature, addressing both individual and organisational factors. This is reflected in the definition below: Workplace health represents "the combined efforts of employers, employees and society to improve the health and well-being of people at work. This is achieved through a combination of improving the work organisations and the working environment, promoting the active participation of employees in health activities and encouraging personal development." *The European Network for Workplace Health Promotion (ENWHP)*, [website], 2017, <http://www.enwhp.org/about-enwhp.html>.

Five domains of Workplace Wellbeing

- **Health;** Physical Health, Physical Safety & Mental Health
- **Work;** Working environment, good line management, work demands, autonomy, change management, pay & reward
- **Values/Principles;** Leadership, ethical standards & diversity
- **Collective/Social;** employee voice & positive relationships
- **Personal Growth;** career development, emotional, lifelong learning & creativity

Why the Workplace

In the changing world of work, motivated, qualified and above all, healthy employees are essential for the UK's future economic prosperity. With UK employees spending approximately 1/3 of their adult life at work, the workplace plays a pivotal role in the physical, mental, economic and social wellbeing of workers, and in turn, their families. The workplace has subsequently been recognised as a priority setting for health promotion by the World Health Organisation and the U.K governments. This is also reflected in the growing demand for green buildings, the implementation of work/life balance policies, technology to support flexible work practices and the trend to provide amenities such as onsite gymnasiums and child care facilities.

Best practice guidelines

As no two organisations are identical, it is difficult to have a fixed formula for a successful workplace health program. However, there are key characteristics that successful and sustainable programs share. Consistent with current research and best-practice, there are 15 guiding principles for development and implementation of a results-oriented program.

Best practice guidelines

1. Active support and participation by senior leadership
2. Health as a shared responsibility
3. Engagement of key stakeholders
4. Supportive environment and culture
5. Participatory planning and design
6. Targeted health interventions
7. Evidence base, standards & accreditations
8. High levels of program engagement
9. OH&S integration
10. Technology and online programs/content
11. ROI – assumptions and calculations
12. Innovative marketing and communication
13. Evaluation and monitoring
14. Commitment to ethical business practices
15. Sustainability

The Wellbeing Tipping Point

Wellbeing – at a tipping point?

Companies are rapidly implementing WWP recognising that there is an ethical, societal and financial duty to ensure the welfare of all employees. A number of recent developments are helping raise the profile of these important issues including the Prime Minister's January 2017 announcement of an independent report on companies actions to support mental health (one of the 5 domains of Wellbeing). Impetus towards change may be similar to that seen in Corporate Responsibility where traction started in mid-90s to rapidly gaining full effect by early 2000s.

Legal Standpoint

From a legal perspective, it is vital to ensure that all managers understand the importance of communicating any Workplace Wellbeing concerns raised to them to the appropriate people, and for those people to action. If not, this could lead to discrimination and unfair dismissal claims.

In 2014/15, 1.2 million people in the UK suffered from work-related ill health. Statistics from the year before showed that this was costing the UK (and employers) over £14 billion. Mental health and the risk of stress affected 35% of that number and comparing the figures for the whole of the UK (not just on workers) indicates that by going to work each day, there is a 10% greater risk of an individual suffering from a stress related illness.

The changing emphasis of Wellbeing in the workplace', 2017, [website],
<https://www.shponline.co.uk/changing-emphasis-wellbeing-workplace/>

Law commonly considered when looking at safety risks (in particular sections 2 and 3 of the Health and Safety at Work etc. Act 1974 and regulations enabled by the Act) is also relevant to Workplace Wellbeing disputes. Any business that has fallen below good standards of Workplace Wellbeing could be considered negligent in a civil personal injury claim.

Government Agenda

The issues of poor and/or lack of WWP (and the cost to the UK) are firmly on the government agenda. Additionally, the Health and Safety Executive have identified the need to inspect businesses on how they focus on health risks in their 2016/17 Business Plans. There is now a need for organisations' dedicated strategies to integrate in overarching human resources and health and safety policies.

Organisational Benefits:

Effective support of wellbeing will benefit organisations in many ways:

Improvement seen in:

- Productivity
- Quality of work
- Morale, attitudes & behaviours
- Employee engagement
- Loyalty & advocacy
- Retention of talent
- Reduced absenteeism
- Interventions that work
- Attract the best new employees

Reductions in:

- Sickness absence
- Temporary cover costs
- Recruitment costs
- Health insurance

Business Compliance with Law

There should be evidence that wellbeing risks have been considered and assessed (through written risk assessment and policy documentation required under the Management of Health and Safety at Work Regulations 1999)

- Steps should be taken to reduce and control risks to wellbeing
- A clear process should be in place to keep risk under review and assess whether steps put in place are working
- Action should be taken, where needed, to develop preventative measures.

Workplace wellbeing trends

Regulations around Workplace Wellbeing have become more refined moving from general health and safety legislation to specifying employee health, wellbeing and mental health. Another drive is the need for organisations to be attractive to millennials. A survey by Deloitte shows nearly 40% of millennials place Workplace Wellbeing as a key priority for senior leadership - by 2025 millennials will make up to 75% of the workforce.

'The 2016 Deloitte Millennial Survey, winning over the next generation of leaders',
<https://www2.deloitte.com/content/dam/Deloitte/global/Documents/About-Deloitte/gx-millennial-survey-2016-exec-summary.pdf>

Get WWP on your corporate agenda

Corporate cultures must work towards preventive management of Workplace Wellbeing recognising the value of parity of esteem between mental and physical health in the workplace. Internal and external communications need to be managed proactively. Allocating an external wellbeing solution provider could be one option as well working with a progressive HSE consultancy, or employing in-house specialists. Other actions could be bringing in an expert to develop your organisational Workplace Wellbeing framework and/or tools to monitor key performance indicators.

Another way to tackle Workplace Wellbeing is the development of a business case to support investment. The development of a strong evidence base through monitoring of performance can make the case to prioritise Improving Workplace Wellbeing.

Wellbeing – what you need to know about Menopause

Keep up to date with menopause

As the number of older women within the workplace is increasing, it appears that the menopause is slowly becoming less of a taboo subject and is increasingly appearing in the media.

The Government Equalities Office produced a report last month considering the effects of the menopause on female employees and the adjustments that should be made within the workplace. The report provides the following guidance on areas where employers can make changes to help employees suffering from menopausal symptoms:

- Employers to be open to discussing the troublesome symptoms that a female employee may suffer from. Training may need to be provided to managers to ensure that these conversations are handled correctly;
- Review temperature of the workplace and consider how this can be adapted to suit the needs of the female employee. It may be appropriate to provide a desktop fan, place the employee's seat near an openable window or away from a heat source;
- Consider requests for working from home, flexible working hours or shift changes. It may be that later start times are appropriate if employees are suffering from disrupted sleep and/or night sweats.
- Ensure there is adequate access to clean wash room facilities/toilets and potentially an area for the employees to relax without noise;
- If the employee is required to wear a uniform, consider whether the material and/or style is appropriate for the female employee and whether you could provide uniform which is lighter and not made from synthetic material.

The report also highlighted the treatment towards female employees from their male colleagues, in particular when they are suffering from a hot flush that consideration is given to whether inappropriate comments could be grounds for discrimination both on the grounds of age and on gender.

Also, depending on the severity of the symptoms of the menopause for a female employee there is the possibility that it may fall within the definition of Disability Discrimination for the purposes of the Equality Act.

It is important that employers keep up to date with the information that is being provided to the female employees so that you do not treat a female employee suffering from the menopause incorrectly and expose yourself to any risk.

New & Upcoming Regulatory System Updates

August 2017 – Publication of terms of reference for the independent Review of Building Regulations & Fire Safety

On the 30 August 2017 the government published the terms of reference for the independent Review of Building Regulations and Fire Safety that was commissioned following the Grenfell Tower fire tragedy. This Review will urgently assess the effectiveness of current building and fire safety regulations and related compliance and enforcement issues, with a focus on multi occupancy high rise residential buildings. This will include addressing whether the government's large-scale cladding system testing programme identified any potential systemic failures.

The Review's 2 key priorities are to develop a more robust regulatory system for the future and provide further assurance to residents that the buildings they live in are safe and remain safe. While the Review will cover the regulatory system for all buildings, it will have a specific focus on multi occupancy high rise residential buildings.

The Review will report jointly to Communities Secretary Sajid Javid and Home Secretary Amber Rudd. An interim report will be submitted in autumn 2017 and a final report submitted in spring 2018. The Review will co-operate fully with the Public Inquiry, and Dame Judith Hackitt will review her recommendations in the light of the findings of the Inquiry.

[Click here to read terms of reference.](#)

December 2017 – Publication of ISO 45001
BS OHSAS 18001 is currently the recognised standard for best practice occupational health and safety management. It is due to be replaced by the new international standard by end of December 2017.

Key changes relate to:

- Increased prominence of environmental management within the organisation's strategic planning processes
- Greater focus on leadership



- The addition of proactive initiatives to protect the environment from harm and degradation, such as sustainable resource use and climate change mitigation
- Improving environmental performance added lifecycle thinking when considering environmental aspects
- The addition of a communications strategy

Multiple benefits include:

- Reduce work related injuries, ill health and death
- Eliminate or minimise OH&S risks
- Improve OH&S performance and effectiveness
- Demonstrate corporate responsibility and meet supply chain requirements
- Protect brand reputation
- Motivate and engage staff through consultation and participation

December 2018 – Globally Harmonised System (GHS)

The GHS is a single worldwide system developed by the United Nations for classifying and communicating the hazardous properties of industrial and consumer chemicals. In the long run GHS will make classification of mixtures easier, cheaper, more accurate and all for more flexibility.

GHS promises to deliver several distinct benefits:

- Promoting regulatory efficiency
- Facilitating trade
- Easing compliance
- Reducing cost
- Providing improved and consistent hazard information
- Encouraging the safety transport, handling and use of chemicals
- Promoting better emergency response to chemical incidents

The UN GHS is not a formal treaty but instead is a non-legally binding international agreement therefore countries (or trading blocks) must create local or national legislation to implement the GHS.

Ongoing - COP21 ripple effect

COP21 is aiming to achieve a legally binding and universal agreement on climate change, with the aim of keeping global warming below 2°C. COP21 in Paris is the culmination of six years of international negotiations. This agreement will for the first time provide:

- A high-level framework to drive forward national actions on climate change in all of the world's major economies
- A robust processes to monitor the implementation of national actions;
- A timetable for nations to review and strengthen those actions; and

Commitments by countries to provide updates on their plans to reduce greenhouse gas emissions and tackle climate change will mean stakeholders are now more likely to hold companies accountable regarding their initiatives. This will mean potential impacts on EHS and sustainability programmes, as well as new or enhanced regulatory and reputational risk management.

COP21 raises some important questions for you and your organisation:

- What will COP21 mean for your company?
- How are you planning to manage the business risks and opportunities that will result from the transition to a global economy with substantially lower GH emissions?
- Will your organisation be able to respond effectively to the myriad carbon-related regulations, costs and incentives that are being introduced in each of the countries where you operate?

April 2018 - PPE Regulation (EU) 2016/425 enforcement in 2018

The PPE Regulation is mandatory and will apply on 21 April 2018. The previous Directive focused on manufactures placing products onto the market, but when the new Regulation becomes effective the whole supply chain will be involved therefore early preparation is key.

April 2018 - EPC regulation changes come into force in 2018 for non-domestic properties

The Department for Energy & Climate Change (DECC) have finalised the 2018 EPC regulation changes for England and Wales. The regulations set out the minimum level of energy efficiency for private non-domestic rented property in England and Wales.

From the 1 April 2018, it will become unlawful for landlords of non-domestic private rented properties (including public sector landlords) to grant tenancy to new or renew or extend existing tenants if their property has an EPC rating of band F or G, unless an exemption applies or the landlord has made all the relevant energy efficiency improvements.

- 1) rating of 'E' by 1 April 2018;
- 2) A hard start – affecting all leases from 1st April 2018; or

A phased introduction – meaning a soft start of 1st April for all new leases with a hard backstop of 2023 for all existing leases. This is the Government's preferred option.

By 1 April 2023, landlords must not continue to let a non-domestic property which is already let if that property has an EPC rating of band F or G – even where there has been no tenancy renewal, extension or new tenancy. Data from the national EPC register indicates that 18% of commercial stock has EPC ratings of F&G and another 20% are rated E. The regulation will come with three possible options:

- 1) A soft start meaning only new leases will need to comply with the minimum EPC
- 2) A hard start – affecting all leases from 1st April 2018; or
- 3) A phased introduction – meaning a soft start of 1st April for all new leases with a hard backstop of 2023 for all existing leases. This is the Government's preferred option.

May 2018 - General Data Protection Regulation to overhaul how businesses process and handle data

On 25 May 2018 The Information Commissioner's Office will enforce The European General Data Protection Regulation (GDPR). The legislation is designed to harmonise data privacy laws across Europe as well as give greater protection and rights to individuals. Within the GDPR there are large changes for the public as well as businesses and bodies that handle personal information. The new regulation brings new rights for people to access the information hold about them, obligations for better data management for businesses, and a new regime of fines.

Global & Local Issues & Trends

China's regulatory system struggles with rapid expansion

In 2015, 66,000 people died at work according to a report released in December 2016 by the National People's Congress (NPC), the Chinese legislature. There is a common theme for Health & Safety in China: rapid economic expansion that has come at a human cost. Its regulatory system seems to struggle to keep pace with the rate of change, where it faces high inequality and issues with environmental sustainability.

Specifically, in Hong Kong, official figures showed that approximately 500 people have been killed transforming it into a modern city since 1989 with only one person being incarcerated. Construction and maintenance workers claim that Hong Kong employers cut corners on safety, hide workplace injuries to avoid accident compensation and reputational damage. Contractors tell staff not to call 999 because reports of even minor injuries will affect their future bids for government projects claimed Vice Chairman of Construction Site Workers General Union. The Chief Executive of Association for the Rights of Industrial Accident Victim claims that many businesses redesignate their workers as self-employed personnel when injuries occur.



He goes on to say 'employers try to shirk responsibility. They use financial inducements to coax workers into accepting the arrangement. Workers are satisfied as long as they can continue working. But after a while, the evidence for pursuing compensation (over lax safety standards) is lost and the case is dropped.'

Regulators are facing calls to adopt a new approach to safety. The China Labour Bulletin, an organisation based in Hong Kong that seeks to improve working conditions on the mainland, is calling on the government and policymakers to stop "fixating" on major accidents, and start thinking about ways to improve day-to-day safety in all of China's workplaces.

United Kingdom sees rise in Acid Attacks

The number of crimes using acid or other noxious substances has more than doubled in London over the last three years. There have also been notable increases in other parts of England. In London the number of incidents rose from 186 between April 2014 and March 2015 to 397 in the same period in 2016-2017 according to official figures from Metropolitan Police. Only last weekend six people were injured in an acid attack at Stratford Centre, London. One of the main reasons behind an increase is the clamp down on weapons and accessibility of noxious substances. Businesses can prevent and respond by collaborating or partnering with safety, risk and compliance organisations who can assist in strategy and building of preventative and response programmes.



Increase in Acid Attacks; Source; Metropolitan Police, 2017

Prevention and Response for businesses

Organisations need to build in programmes to prevent and respond to these incidents. Programmes should be interdisciplinary and follow the characteristics of Human Security domains:

- People- centred
- Multi-sectoral
- Comprehensive
- Context-specific
- Prevention-orientated

Human Security derives much of its strength from two mutually reinforcing pillars of protection and empowerment. Organisations need to take on a hybrid approach which:

- Combines top down norms, processes and institutions including the establishment of good governance, accountability and social protective instruments

- Helps identify gaps in the existing security infrastructure and detects ways to mitigated the impact of existing security deficits.
- Reinforces peoples' ability to act on their own behalf.
- Allows for knowledge sharing and results orientated learning
- Emphasis on early prevention rather than late intervention, thereby more cost effect.
- Strategies concerned with the development of mechanism for prevention, the mitigation of harmful effects when downturns occur, and ultimately helping victims to cope.

Ark Workplace Risk can assess existing organisation arrangements and policies as well as benchmark for impact evaluation.

Our solutions are prevention-orientated:

- Identify the root causes, primary protection and empowerment gaps to develop sustainable solutions
- Emphasise prevention as well as response when developing priorities
- Focus on empowerment measures that build on local capacities and resilience.