



OUTSOURCE SAFETY

Outsourcing your health and safety

What choice is right for your business

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SAFETY
SCHEMES IN
PROCUREMENT



Chartered Safety and
Health Practitioner*

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Health and safety consultants for construction and industry throughout the UK

Executive Summary

Outsourcing is an option which is now being considered by all sizes of company. From multi-site operations to small businesses employing less than 20 staff, outsourcing your safety in full or in part could be a smart choice for your business. This white paper explores the opportunities and the pitfalls and presents a balanced view which will help you decide which choice is best for your business.

Should you have questions on reading you are invited to 'ask the author' by emailing; roger.hart@cgsafety.co.uk. We have an expanding number of free supporting documents and calculators which can help you put an exact figure on what your current costs are and how much outsourcing could save you. Contact us for see the links later in this document to obtain a copy.

Introduction

Each business must control its risks and manage its health and safety but the primary motive is often not the requirements existing in law but the moral duty which every responsible business owner feels towards the staff which they employ. This is typically achieved through the appointment of one or more people who manage safety issues on behalf of the business on a full or part time basis.

For smaller businesses this often means that a person has a full time role in one part of the business but manages safety as another task. Given the right support this can be a useful and effective way of managing and controlling risk but as the business grows and the role increases this person comes under more and more pressure and what was once a manageable part of their job can become a headache.

At this point the business needs to make a simple choice;

- a) Move this person away from their current role and from the core activities of the business to become a safety manager with its associated training cost
- b) Consider some external support to assist this person in their role and allow them to complete their other core tasks whilst still controlling safety for the business.

Guidance: *Safety has become more complex and its systems are now more likely to be subject to scrutiny from clients and approval bodies as well as from enforcing authorities.*

The choice of full or partial outsourcing continues to become more attractive.

Particularly since the introduction, in October 2012, of HSE's Fee For Intervention (FFI) under which charges material breaches of safety law at a minimum £124 per hour.

For more information see our [HSE FFI White Paper](#)

What are the key benefits to outsourcing safety?

For many organisations the right choice may still be to have an individual taking the role of a safety manager and for the company to invest in the support, training and software to allow them to competently complete this role. However, for many others the right choice has been to outsource, partially or fully, their safety requirements to a dedicated specialist.

There are a range of reasons why outsourcing might be attractive;

- a) It enables you to focus all of your efforts on your core business – of particular importance if your business is small or if you simply wish to keep your headcount lower for administrative reasons
- b) It allows you to be flexible and respond to changes in demand for your services whilst keeping overheads low, when you need more help you simply request it from your provider
- c) It means that you don't need to commit to a full time employee and their associated costs when the task has natural peaks and troughs throughout the year
- d) It provides you with access to extensive expertise that may be lacking with an in house alternative, useful if you win a contract with a prestigious client and need to react quickly
- e) It ensures that you remain up to date with the latest documentation and best practice without the associated investment in staff, training courses and software
- f) It allows the workload to be shared with your outsourced support in a way that suits you, choosing to off load it completely or just having some focused assistance

To enable you to make the right choice there are a number of factors you need to consider.

The true cost of internal safety management

Cost is often the first thing which is considered when looking at their options for in house versus outsourcing. At this stage outsourcing is often dismissed out of hand with justifications of high daily fees charged by many consultants, what is not considered is an accurate comparison with how much in house support actually costs.

To make an accurate comparison all costs associated with the in house alternative must be considered – we have a free tool which runs in Microsoft Excel which allows you to do just that, click the following link to download a copy; [Cost calculator tool](#).

***Tip:** The true cost of an internal employee is often difficult to determine.*

Costs mount from training courses through to sickness absence.

You must also factor in help and support from other people internal and external to the organisation.

As a rough rule of thumb expect a person earning around £30k a year to cost you well over £300 for every day they are on site.

Staff costs

Having an internal member of staff brings many advantages, they are on site when you have issues relating to safety, they can respond immediately when you have safety questions and they make up part of the team which helps run your business.

But these staff also need holidays, they can fall sick, they require ongoing training and development and they can also seek out new opportunities with similar businesses. You rely on them to take control, identify which regulations have impact on your business and put in controls to keep you and your workforce safe – this takes a lot of time and requires extensive knowledge of occupational health.

Also, when you're a smaller business and have only one member of staff capable of performing these tasks that a big risk when they're not there to perform their duties.

Use an outsourced safety provider instead

Outsourcing is about more than simply handing over your safety policy and risk assessments to a third party. Outsourcing means having access not just to a consultant dedicated to your business but also to the team of safety specialists which make up the outsource company. Experts in construction, COSHH, noise and vibration, plant and equipment training and other specialists.

Our consultants are dedicated to creating a close and effective working relationship with you. Their aim is to build knowledge of the business and develop a rapport with all stakeholders enabling them to react effectively and swiftly to your needs.

With a team of specialists only a phone call away outsourcing gives you access to individualised and specialist advice on any subject whenever you need it, without adding to your own headcount.

Risk assessments, policies, noise surveys and hand arm vibration

There's a lot more than just paperwork to complete for most in house managers. They need to be skilled in a wide range of issues from fire risk assessment to exposure of employees to hazardous substances including their safe use, transport and storage.

Often, an in house manager will need to call on other expertise to complete their duties and this is a cost which can add a significant additional overhead, particularly for businesses involved in distribution, manufacturing, engineering, contracting or construction.

Guidance:

Internal safety managers have a very diverse role to fill. Sometimes health and safety is not given the importance it deserves by their colleagues and this can make the role a challenging one.

By using external support you solve many of these issues; staff can quickly call on other specialists and are also confident to challenge practices they see as hazardous without being risk averse.

You can rely on external safety support in just the same way as you rely on external support on accounting.

One regular monthly payment

A key benefit of the outsourced alternative is known costs. The outsource partner can provide a fixed monthly cost which covers all of these issues, they can also call on a range of experts to ensure that each risk area is properly controlled.

You won't get any nasty surprises, whether from a client who wonders what your arrangements will be for handling a specific risk issue or from an insurance or enforcement inspector who needs to know clearly what you do to protect your staff.

Maintaining control and gaining an advantage

Managing all aspects of your safety in house undoubtedly gives you total control over the process but outsourcing can mean a more complete service with the added benefit of known cost.

Although no two businesses are exactly alike the skills which an outsourcer can bring are linked to their continued exposure to other similar businesses. The regulations governing safety and the practices which best control risk are common across many similar types of business.

By working with a outsourced provider you can expect to gain from this experience and expertise and the outsourcer should be able to help you streamline your systems and develop documentation which will not only satisfy your insurers and enforcing bodies but also present your business in the very best light against its competition. Health and safety is a key element in new contract wins and audits by key clients in this area are more common each year, by having the best evidence and documentation you not only protect your business from risk and no win no fee actions, you can also market yourself.

Flexibility, planning and security

Outsourcers are only too aware of the requirements for your data to be safe and secure. Records of training, risk assessments, toolbox talks and so on must all be backed up and available as evidence whenever needed. Our systems allow us to keep all of your data safe with online systems controlling daily backups to two flood and earthquake proof sites plus our own local backup to rely on.

Our systems also allow us to control, document and administer all of your training requirements. Our clients have anything up to 10,000 staff, all of whom have training requirements which have a fixed expiry date. Our systems allow us to monitor and schedule all of these courses to ensure that anyone who works for you is always in date and that when retraining is required you have the notice to ensure that this is completed on time and in budget.

Choosing the right option for you

One size doesn't fit all. We offer a range of services so that you can select the one which works best for you. You may want us to simply help out when demand is high or to support you during a period when your in house manager is not available, choose the option which fits your needs best to make sure that you always get the right amount of support for your needs.

We hope we have provided an insight into what you can expect from FFI. You only have a short time to prepare before the scheme starts so now is the time to take action to ensure that you are managing these risks well and that any visit by an Inspector is met by the right person armed with the right information.

If you are a Safety~net member please contact your retained consultant for more information on how this affects your business.

Option 1 – full safety outsource

If you are currently without an in house safety manager this may be the best option for you. As a fully managed service we will handle every aspect of your safety from induction to site audits and accreditations. We will review every risk and put in place measures to control them, all for a fixed monthly cost.

Option 2 – partial outsource

With this option we will work with your in house team / manager to support their work. Perhaps the company has grown to an extent that their workload has become too demanding or they have skills which would be best utilised elsewhere in the business. We take the onerous and time consuming aspects of their role and perform these using an appropriate expert for a fixed monthly fee.

Option 3 – contract support

If you have an in house resource who is able to control your risks well but have a number of areas where more specialist knowledge is an advantage this is an attractive option. Use our services in one of several key areas to control your risk at a known cost with no monthly commitment. Call in our services to help with contract wins or to react to other variations in demand. You will always work with the same retained consultant who will build a detailed understanding of the business allowing your safety manager holiday and sickness cover as well as a trusted second opinion on any key risk issues.

Weighing up your choices

Outsourcing is a competitive market and costs can vary considerably. Testing the market after developing a clear specification for the service will help ensure you get the best value for money.

We are always happy to speak in confidence and to meet and review your current situation. If your best option is to remain with your in house manager then we will tell you, if we think we can add value or save you money then we will break down exactly how we could help and give you a fixed cost to do so.

If you think outsourcing might benefit your business we'd love to hear from you. Arrange a confidential and no obligation meeting by emailing us; info@outsourcesafety.co.uk or speak to Roger Hart directly on 01453 800102



About the Author

Roger Hart is a Chartered Safety and Health Practitioner and a Chartered Member of the Institution of Occupational Safety and Health (IOSH) with over 20 years consultancy experience. He holds a Masters Degree in Environmental Management and Honours Degree in Chemical Engineering and Project Management. He also serves as Treasurer for the Working Well Together Campaign in the Southwest (a partnership between the Health and Safety Executive and the construction industry).

About Outsource Safety Ltd

A multi disciplinary Health & Safety consultancy Outsource Safety offers consultancy services to all sectors of commerce.

Learn more at www.outsource-safety.co.uk