



Department for
Business, Energy
& Industrial Strategy

PRODUCT RECALLS AND SAFETY

Government response to the Working Group
report

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Ministerial foreword

My predecessor Margot James MP established the Working Group on Product Recalls and Safety in October 2016, shortly after the Shepherd's Bush fire. The terrible events at Grenfell Tower have reinforced how vitally important it is that the goods in our home are safe and that the government, enforcing authorities, manufacturers, retailers and consumer groups must all work together to ensure the system is as robust as it can be. The government would like to thank Margot James MP for driving forward the important work in these areas and lending her continued and excellent support to the Working Group.

The Working Group on Product Recalls and Safety was established to take forward the initial thinking undertaken by Lynn Faulds Wood in her review of the recall system which was published in 2016. Lynn has worked tirelessly to support the interests of consumers for many years, and I applaud her energy, enthusiasm and expertise in this area.

Those are the same qualities which the Working Group, under the excellent chairmanship of Neil Gibbins, brought to bear as they came together to offer advice on this issue. The government recognise that the members of the Working Group come from very different viewpoints and experiences, and I have been impressed with how they have found a way to work so collaboratively on concrete actions. In particular, the work the Group, under the leadership of the British Standards Institution (BSI), undertook very early on to develop a draft code of practice on corrective actions marks a real achievement.

The government supports the recommendations put forward by the Working Group and I look forward to working with them in this new phase, as we undertake a fundamental shift in our approach to consumer product safety.

Andrew Griffiths MP

Minister for Small Business, Consumers and Corporate Responsibility

Introduction

The Working Group on Product Recalls and Safety was established in October 2016 to bring together experts in the fire services, trading standards, consumer groups and industry, to consider what practical changes could be made to improve the safety of white goods and increase the success of corrective action programmes. The Group has been chaired by Neil Gibbins, a former Deputy Chief Fire Officer and former Chief Executive Officer of the Institution of Fire Engineers.

The Group built on the earlier work of the previous Recall Review Steering Group (RRSG) set up in response to the Review of Consumer Product Recall undertaken by consumer champion and broadcaster Lynn Faulds Wood. The Recall Review Steering Group began work on a number of recommendations, before it was superseded by the Working Group, including undertaking a mapping exercise of the sources of information and information gaps in relation to product recalls and safety.

When it was established, to focus its considerations, the Working Group was encouraged to pay particular attention to:

- identifying the causes of fire in white goods and the action needed to reduce them
- registration of electrical products at the point of sale
- the development of a code of practice for product recalls including the peer review of risk assessments
- improving the information available to consumers and the role of consumer education
- ways to improve the capture and use of data relating to faulty electrical goods
- the value of marking white goods to preserve their identification through fire

The Group submitted five initial recommendations to Margot James, in December 2016 which were:

- greater coordination of product safety recalls and enforcement at the national level
- developing Primary Authority Partnerships
- developing a Code of Practice on managing effective correction action (including recalls)
- government support for Association of Manufacturers of Domestic Electrical Appliances (AMDEA's) 'Register my Appliance'
- research into consumer behaviour to understand how best to encourage consumers to engage with a corrective action when a problem is identified with a product

Their full report was published on 19 July 2017.

On 16 January 2018, the BEIS Select Committee published its report on The Safety of Electrical Goods in the UK¹.

¹ House of Commons Business, Energy and Industrial Strategy Committee Third Report of Session 2017-19: The Safety of Electrical Goods in the UK

Summary of recommendations and government response

Recommendation 1

There is a need for centralised technical and scientific resource capability to support decision making and co-ordination of activity of Local Authorities and the businesses that they regulate. Central capability is required to address complex technical issues, assessing risk and helping to identify and share data and intelligence to evaluate emerging hazards. Consideration should also be given to the development of a single portal for consumer information on product corrective actions and recalls.

Government response

The government accepts this recommendation in full. We have listened carefully to calls from the Working Group and others, including the BEIS Select Committee, Lynn Faulds Wood, the Chartered Trading Standards Institute (CTSI) and Which?, for greater capacity to deal with product safety issues at a national level.

The government has decided to create an Office for Product Safety and Standards (OPSS) that will, for the first time, give us dedicated expertise to lead on national product safety challenges. The Office will ensure that UK consumers continue to receive the highest possible levels of protection from unsafe goods, ensure that UK businesses are protected from the unfair competition posed by substandard and unsafe products (including imports) and help give businesses confidence in meeting their responsibilities to supply safe goods.

The new Office will enable the UK to meet the evolving challenges of product safety – responding to expanding international trade, the growth in online retail and the increasing rate of product innovation. It will help the UK to ready itself to leave the European Union ensuring that appropriate border checks continue to be carried out.

The Office for Product Safety and Standards (OPSS) will support the work of the local authority trading standards teams, and District Councils in Northern Ireland. It will provide advice and support to ensure manufacturers, importers and retailers meet their responsibilities to place only safe products on the market. It will co-ordinate rapid and effective action when national safety issues arise and give support to local authority trading standards teams and networks, giving them access to the technical and scientific support needed for effective local activity to maximise protection.

It will work closely with the BEIS Chief Scientific Advisor, and other government scientific advisers as appropriate. This will ensure that the government has access to cutting edge scientific and technical expertise and advice when developing policy, providing guidance and responding to incidents.

The Office for Product Safety and Standards will:

- provide an incident management capability to coordinate the response to national product safety incidents;

- work with local authorities and their technical panels local fire and rescue authorities and others to swiftly identify emerging issues, help co-ordinate work across boundaries or on a national scale and draw on pooled intelligence;
- provide an intelligence handling function to provide specific risk-profiling advice for teams working at ports of entry to help target high-risk consignments;
- provide consumer facing product safety information and advice;
- provide the specialist capability needed to test products and to assess safety risks;
- provide technical and scientific expertise and advice;
- build an open dialogue with business in order to inform the approach to regulation and enforcement; and

The Office for Product Safety and Standards will have as its remit general (non-food) consumer product safety such as white goods, electrical goods, toys, clothes and cosmetics. It will exclude those areas where national capability and regulators already exist – namely: vehicles, medicines and medical devices (e.g. prosthetics and pace makers), and workplace equipment (e.g. safety boots and helmets, eye protection and high visibility clothing). The market surveillance of construction products is being considered by Dame Judith Hackitt as part of the second stage of her work looking at the role of Building Regulations and fire safety. The government will carefully consider all the options for market surveillance of construction products following the recommendations of the review. The Office for Product Safety and standards will work closely with other market surveillance authorities, and ensure that those links are enhanced where necessary, for example, by aligning the actions of product safety teams at UK ports and borders with those being led by HMRC and Border Force.

It is our intention that the Office for Product Safety and Standards will support the activities and responsibilities that currently sit with local authorities, with other regulators or with other market surveillance authorities to maximise the effectiveness of their actions.

The Office for Product Safety and Standards will be based in the Department for Business, Energy and Industrial Strategy. It will be launched immediately, but its capability will be developed over time and not all aspects of its remit will be fully operational from day one. The first priorities are to set up an incident management capability to respond to national product safety issues and make further improvements to the information on the government's product recall webpages to make them more accessible. Creating a comprehensive information database will take longer to bring on stream as the necessary arrangements to gather data from businesses, regulators and others are put in place, and as testing results and other relevant intelligence on product risks are developed.

Longer term, the government will wish to examine the options for making the Office for Product Safety and Standards an arm's length independent body and to look at associated funding options. This will be subject to further consideration and public consultation before any decisions are made.

Recommendation 2

There is a need to consolidate guidance on product corrective actions and recalls.

A detailed Code of Practice should be developed with input from all relevant stakeholders; this should be informed by behavioural insights research. This should set out expected good practice with regard to product safety corrective actions (including recalls). To ensure that the Code of Practice gains wide acceptance, the UK national standards body, the British Standards Institution, should lead this work with the support of your officials and members of the Working Group.

Government response

The government fully supports this recommendation and has commissioned the British Standards Institution (BSI) to take this forward. The British Standards Institution convened a drafting committee to develop the text of a Publicly Available Specification (PAS) on corrective action and recalls.

This group included members of the Working Group on Product Recalls and Safety as well as other legal and business representatives. An initial draft of the document was put out for public consultation in September 2017. The draft code was widely welcomed and the British Standards Institution received over 280 responses to the consultation.

The Publicly Available Specification is structured in two parts. Part 1 sets out a code of good practice for businesses to ensure effective monitoring, assessment, notification and correction of unsafe products, including through their recall where appropriate. It reinforces the need for businesses to have a plan in place, so they are prepared if they do need to take action. Part 2 provides guidance to regulators as to how best to advise businesses in the preparation of corrective action programmes, monitoring incidents and determining and implementing appropriate corrective action programmes.

The British Standards Institution has been working with the drafting group to consider the detailed submissions made. The Publicly Available Specification will be published early this year.

Recommendation 3

Full consideration should be given to establishing **a hub to co-ordinate product safety corrective actions at a central level**, similar to that operated by the Food Standards Agency.

Government response

The government fully supports the recommendation. A key function of the new Office for Product Safety and Standards will be in establishing an incident management capability and developing and maintaining a comprehensive database of corrective actions and recall programmes for consumer goods.

This work will be undertaken in two phases. The immediate phase, to be completed by Spring 2018 will upgrade the content on the government's product recall website pages to make the website simpler to use. As part of this, we will be actively seeking user feedback to inform the next phase of development.

The second phase of implementation will require the building of an extensive data hub of all corrective action and recall programmes affecting consumer products, using different data sources to share intelligence and provide comprehensive and up to date advice and information relating to UK product safety issues. This includes enabling manufacturers to provide updates that require product recalls and corrective actions. Consumers will be able to use this service to search a product register to help make more informed choices on product purchase. It will also enable them to register their purchased goods centrally to trigger alert notifications by email or SMS or social media if a product recall occurs.

We anticipate that the first release of this service will be in place by the end of 2018 with full public access in 2019.

Recommendation 4

Systematic and sustainable ways to **capture and share data and intelligence** should be established and agreed by relevant parties – this should make use of existing systems used by Trading Standards and the Fire Service.

Government response

The government fully accepts the recommendation.

The Office for Product Safety and Standards will establish an intelligence capability that will bring together data sources and use the widest possible range of information and evidence to inform understanding of risks at industry and product level. As a first step, we have commissioned research to map current sources of data on product related incidents, including Trading Standards, hospital and Fire and Rescue Services data, to identify what is available, how it is used, how it could be used, how it could be developed in order to provide meaningful insights. The Office will also liaise with the Royal Society for Prevention of Accidents (RoPSA), Public Health England (PHE) and Citizens Advice to ensure relevant intelligence from a wide range of sources is captured.

We also propose to work closely with networks of product and technology experts in academia and in industry to help shape the assessment of emerging product risks and review the approaches adopted in comparable markets to better understand their assessment of key product risks, approaches to assessing, profiling, and managing risk.

These workstreams will be ongoing.

Recommendation 5

Manufacturers and retailers should continue to work together and through standards setting bodies to **develop technological solutions to product marking and identification**.

Government response

This recommendation was aimed at manufacturers and retailers, rather than government. However, the government considers that further work could helpfully be undertaken in this area and encourages manufacturers, retailers and standard setting bodies to take this thinking forward.

Government has heard, through the Working Group discussions and from other stakeholders, the challenges in this area, and would be keen to see a clear case of the costs and benefits, and scope for technological solutions which would make products easier to identify, particularly in cases where a product is damaged by fire.

The government will undertake analysis which may prove useful to manufacturers and retailers in their considerations on this. The research, which will be conducted as an early priority for the Office, will look to identify the issues in relation to indelible marking, identify best practice, explore how it could be done, the value of doing it, and also the costs.

Recommendation 6

Primary Authority provides a key mechanism for ensuring that businesses, local authority and BEIS expertise is shared to ensure the protection of consumers. Primary Authority relationships, with BEIS acting as a 'Supporting Regulator' should be encouraged. Ideally, all major manufacturing and importing businesses should participate in such arrangements as a way of demonstrating compliance with requirements under the General Product Safety Regulations.

Government response

The government supports this recommendation. Primary Authority, introduced in 2009, helps businesses to improve their compliance and it supports local regulators to deliver the important protections we want for people and places. It is one of the principal ways the government is making regulation easier and simpler for businesses to understand and follow; giving them confidence to invest and grow. It enables businesses to invest with confidence in products, practices and procedures, knowing that the resources they devote to compliance with be recognised by local regulators working across the UK.

Primary Authority has proved effective in improving the consistency of local authority regulation; the targeting of regulatory activities; the use of local authority resources; and in reducing the costs of compliance for businesses. It has been extended and simplified since 1st October 2017 so more businesses can benefit from tailored advice and more consistent enforcement, including those who trade in only one local authority area and those business who are in process of setting up. We are working hard with local authorities to increase the reach of Primary Authority, particularly to small businesses, and expect the number of businesses in partnerships to grow to over 250,000 by 2020.

The recent changes to Primary Authority enable the Office for Product Safety and Standards (acting on behalf of the Secretary of State) to work more closely with primary authorities in a more official capacity as a 'Supporting Regulator'. The Office for Product Safety and Standards will work with primary authorities and their partner businesses and co-ordinators to agree arrangements to provide additional support to the primary authority in its role supporting the business in complying and co-ordinating regulation of the business, ensuring advice provided is robust taking into account the latest scientific and technical knowledge plus intelligence on the bigger picture. There is potential for Supporting Regulator to make a considerable impact, especially with new or complex products and/or where a trade association's members are considerable in number. We have started to work with businesses, trade associations and local authorities to understand better their needs and how they want Supporting Regulator and Primary Authority to best support their work.

Recommendation 7

The registration of appliances and other consumer goods with manufacturers by consumers should be encouraged to make corrective actions (including recalls) more effective. Research is required to understand barriers to registration. Organisations supporting vulnerable consumers may be able to play a key role in supporting registration of appliances.

Government response

The government welcomes the 'Register my Appliance' initiative developed by the Association of Manufacturers of Domestic Electrical Appliances (AMDEA). The government actively encourages consumers to register their products and there is a link to it on the GOV.UK website. It is also important that consumers are confident that the data collected through registration is not used for marketing purposes or selling extended warranties without their consent. The Data Protection Bill, currently in Parliament, will make our data protection laws fit for the digital age, and will cover data collected for product registration.

The level of product registration and engagement with product safety issues by consumers is far too low. The government is currently commissioning research into consumer behaviour on product recalls and general views relating to product safety messages. We want to understand the way in which consumer behaviour relates to the low rates of response to product recalls, and the ways that could be used to change behaviours and deliver better rates of response. We are also commissioning research into broader attitudes to product safety, what considerations consumers take into account, where they get information, and what influences their behaviour.

We see there is a significant role for retailers to help promote the Register my Appliance scheme, and many large retailers have put their weight behind the scheme. The government considers that more could be done to ensure that registration of appliances by retailers at point of sale, and will share insights arising from the further behavioural insights research with stakeholders as appropriate. We will also investigate, through the Expert Panel referenced in recommendation 8, further scope to work with retailers, banks and insurance companies to use purchase data as a means of contacting consumers who have a product affected by a safety issue.

Government has been discussing with the National Fire Chiefs' Council how local fire and rescue services can support the registration of electrical appliances as part of their community fire safety work. The National Fire Chiefs' Council has agreed to encourage fire and rescue services to extend the product safety element of their Safe and Well programmes.

Recommendation 8

An expert panel bringing together trade associations, consumer and enforcement representatives and BEIS should be established to oversee the delivery of the above and further explore issues around second hand sales, marking and traceability of products and other issues as they arise.

Government response

The government fully accepts this recommendation. We are keen to build on the work undertaken by the Working Group on Product Recalls and Safety, and consider that existing members of the Group should be invited to join the wider expert group. This recommendation was discussed with the current Working Group at their most recent meeting on 28 November 2017. It will be discussed in further detail, in light of the publication of this report.

The government is also setting up a technical and scientific panel, to be chaired by the BEIS Chief Scientific Advisor to ensure we have access to the latest technical and scientific evidence and thinking.



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