

Materials and engineering Hot Issues. Issue 2: Special Edition.

URN No: 02/415b

We hope you found the first edition of Materials and Engineering Hot Issues useful.

The plan was to publish the newsletter every two months. However, we have produced this special edition as several issues have recently arisen that provide you with an opportunity to input your views into the policy process and could not wait until our January 2003 edition:

The Department for Work and Pensions today announced the Terms of Reference for the Review of Employers Liability.

On 9 December the Government published its position statement on the new EU Chemicals Strategy.

You should also be aware of the following consultations:

Defra consultation on "LA-IPPC and LAPPC – Policy and Procedure for Permitting Installations – Secretary of State's Guidance. Deadline 31 December 2002.

Defra consultation on implementing the EU Water Framework Directive. Deadline 21 January 2003.

Environment Agency consultation on the proposed new charging schemes for PPC and Operator Performance and Risk Appraisal System (OPRA). Deadline 24 February 2003.

Further details on each of these issues are set out below.

Terry Martin
Assistant Director, Influence and Impact Section
Materials and Engineering Sector Team

Please contact us

We hope this newsletter will be of use to you. Any comments you have on the format or subjects to be covered in future issues would be welcome. Please feel free to forward this newsletter to others who you feel might have an interest in the issues. If they would like to contact us with their details, we will ensure that they are placed on the future circulation list. We welcome your comments. Your point of contact for this is Keith Avis at Keith.Avis@dti.gsi.gov.uk (020 7215 1455).

THE ISSUES

Issue: Review of Employers Liability Compulsory Insurance (ELCI)

Main Points:

In the recent Pre-Budget Report the Chancellor noted the problems which many employers have faced this year in securing Employer's Liability insurance. We believe that these problems reflect an acute market adjustment and the Government continues to encourage insurers, brokers and business to work together to mitigate these current difficulties.

However, the problems faced this year have also highlighted the concern of many of those involved that there are underlying, and long-term difficulties with the way in which the system of ELCI operates in the UK. For this reason the Government has announced a review of the operation of ELCI.

The purpose of this review is to assess the case for reforming ELCI and, if such a case is demonstrated, to identify the objectives and options for such reform. Its terms of reference are to:

Survey the operation of Employer's Liability Compulsory Insurance (ELCI), taking into account any relevant aspects of the state benefits systems.

Assess the scale and nature of the current difficulties being experienced in relation to ELCI, in particular the extent to which these difficulties are likely to be short-term only, repeated in the future or permanent.

Make recommendations to Ministers as to the case or otherwise for reforming ELCI.

If a case for reform is found, make recommendations as to the objectives, principles and high-level options for such reform.

The review will be led by the Department for Work and Pensions, but will have the close involvement of a number of other Government Departments including HM Treasury, DTI and the Lord Chancellor's Department. It will report to Ministers in Spring 2003.

We want the review to benefit from the opinions of all interested stakeholders. We are therefore inviting you to submit your views to the review team. In particular, we would be interested to understand your views as to:

the long-term commercial sustainability of ELCI;
 the economic efficiency – or otherwise – of the operation of the present system;
 the impact of the current system on employers, including whether it incentivises good health and safety management; and
 the extent to which the system meets the needs of affected employees and encourages their rehabilitation.

We would be interested to understand any views you might have as to options for reform, their potential cost implications and the possible inter-linkages with state benefits such as Industrial Injuries Disability Benefit (IIDB).

Written contributions should be sent to DWP and copied to MEST as below:

Bob Elam
 Dept of Work and Pensions,
 The Adelphi, Level 2
 1-11 John Adam Street
 London, WC2N 6HT

bob.elam@dwp.gsi.gov.uk

Unless you ask us (DWP and DTI) to treat some or all of your evidence in confidence, we may refer to it in the review's final report.

Deadline for input: Contributions should be sent to DWP (copied to MEST) by Monday 17 February.

Hot links (to further information/consultation documents): The DWP announcement can be accessed from the following website www.dwp.gov.uk/publications/dwp/2002/health-safety/eli-review/index.htm

Contact us at: Terry.Martin@dti.gsi.gov.uk

Issue: EU Chemicals Strategy

Main Points:

On 9 December the Government issued its position statement on the new EU Chemicals Strategy outlining its continued commitment to ensuring that the UK has legislation that fully protects public health and the environment (see web link below).

The UK position statement outlines the Government's current thinking on how key elements of the REACH system might operate

in a practical and workable manner. The Government's overall objectives are to obtain a rapid, efficient system for collecting the necessary information on chemicals and for tackling those of most concern, whilst minimising animal testing and maintaining the competitiveness of the chemicals industry.

The position paper is not a definitive statement of the Government's position, not least because the Commission has still to publish proposals for legislation and those proposals will require a complete regulatory impact assessment. However, the Government recognises the importance of this proposed legislation and the importance of getting it right. That is why it is publishing initial views now, so that the process of developing a final position takes place in a clear and transparent manner.

It is hoped that publishing this statement, before the Commission's proposal, will help stimulate debate within both the UK and EU and inform the decision making process. The Government intends to carry out a formal public consultation once the Commission's proposals are actually produced (early 2003) before establishing its final position.

Please feed comments direct to Defra and also to MEST as below.

Guila Musto
Chemicals & GM Policy Division
Defra
Zone 3/E3 Ashdown House
123 Victoria Street
London, SW1P 6DE

Email: necs@defra.gsi.gov.uk

Deadline for input: Ongoing

Hot links (to further information/consultation documents): The Government position statement is available from the following site: www.defra.gov.uk/news/2002/021209b.htm

Contact us at: Keith.Avis@dti.gsi.gov.uk

Issue: Defra Consultation - LA-IPPC and LAPPC – Policy and Procedure for Permitting Installations: Secretary of State's Guidance

Main Points:

The Defra consultation seeks your comments and views on draft general guidance which aims to set out the policy and procedures of the 2 local authority components of the PPC regulations 2000; Local Authority Integrated Pollution Prevention and Control (LA-IPPC) and Local Authority Pollution Prevention and Control (LAPPC).

Comments are particularly invited on the following:

whether the amount of guidance is right: both quantity and level of detail. What should be added or deleted?

whether the guidance is written clearly enough to satisfy the likely readership (bearing in mind the constraint of having at times to stick closely to the legal drafting). What improvements could be made?

whether the guidance is structured and presented sufficiently clearly. Any suggestions?

the content of the guidance

the content of the appended specimen forms.

The consultation document can be accessed from the website below. Comments should be sent to control.pollution@defra.gsi.gov.uk quoting "A2 consultation" in the subject line and copied to MEST.

Deadline for input: 31 December 2002

Hot links (to further information/consultation documents):
www.defra.gov.uk/environment/consult/ppc1002/index.htm

Contact us at: Terry.Martin@dti.gsi.gov.uk

Issue: Water Framework Directive – Second Consultation Paper**Main Points:**

The main purpose of this second consultation paper, circulated by Defra and the Welsh Assembly, is to explain how the Directive will be transposed into national legislation. In doing this, the document takes forward some of the issues raised in the first consultation, summarises comments and provides the Government's response. It also gives more detail on the proposed mechanics of transposition (essentially through a combination of new regulation and the strengthening of existing powers).

A key element of implementation will be the establishment of eleven

river basin management areas across England and Wales. A river basin management plan will be drawn up for each of these and will include:

A summary of significant pressures and the impacts of human activity on the status of surface water and groundwater (including the estimation of point and diffuse source pollution).

A list of the environmental objectives established for surface water, groundwater and protected areas, including any derogations.

The management plans will also contain information on the programmes of control measures required to meet environmental objectives. These measures, which may include reviewing and revising discharge consent conditions, must be established by 2009 (and be updated every six years thereafter).

Views are invited on all these proposals, and may be sent either through the MEST contact (details below) or directly to:

Cath Harris at Defra (e-mail: wfd.consultation@defra.gsi.gov.uk)

Ron Hicks at the Welsh Assembly (e-mail: environmental.protection.division@wales.gsi.gov.uk)

A further consultation paper will be circulated next year. This will include draft regulations, prior to their implementation by December 2003.

Deadline for input: 21 January 2003

Hot links (to further information/consultation documents): Full information on the Directive, and its associated consultation papers, can be found at:

www.defra.gov.uk/environment/water/wfd/index.htm

Contact us at: Terry.Martin@dti.gsi.gov.uk

Issue: Proposed charging scheme for pollution prevention and control regulations and applying OPRA for waste to waste management licensing charges

Main Points:

In April 2002 the Agency consulted on a proposed new Environmental Protection Operator and Pollution Risk Appraisal Scheme (EP OPRA). It also proposed to link charges for Pollution Prevention and Control to this new EP OPRA system and to base annual subsistence charges for Waste Management Licensing on the

Waste OPRA system.

Feedback from the discussion documents supported the principle of basing charges on environmental risk and these OPRA systems. The Agency is therefore now formally consulting on these 2 charging schemes. If the proposals are supported then the Agency will seek to introduce these new charging schemes from April 2003.

The proposals and a Regulatory Impact Assessment can be accessed from the website below. Comments should be sent to Amanda.consultation@environment-agency.gov.uk and copied to the MEST.

Deadline for input: 24 February 2003

Hot links (to further information/consultation documents):
www.environment-agency.gov.uk/yourenv/consultations/410481/?version=1&lang

Contact us at: Terry.Martin@dti.gsi.gov.uk

Materials and Engineering Sector Team Contacts

Director: Simon Edmonds

Deputy Director (Materials): Gerry Miles

Deputy Director (Engineering): Keith Hodgkinson

Cross-cutting Teams

Influence and Impact: Terry Martin (Terry.Martin@dti.gsi.gov.uk)

Knowledge Management: David Rose

Metals and Minerals Team

Contact: Zoë Dayan (Zoe.Dayan@dti.gsi.gov.uk)

Responsible for:

Steel

Non-Ferrous Metals (Aluminium, Lead, Zinc, Copper and Nickel)

Industrial Minerals

Materials Processing and Recycling Team

Contact: Brian Greenwood (Brian.Greenwood@dti.gsi.gov.uk)

Responsible for:

Castings

Forgings

Sheet Metals

Powder Metallurgy

Metal Finishing

Metal Packaging

Metals Recycling

Precision Engineering Team

Contact: Tony Keegan (Tony.Keegan@dti.gsi.gov.uk)

Responsible for:

Industrial Robotics/Automation

Packaging Machinery

Printing Machinery

Commercial Catering Equipment

Machine Tools

Gauge and Toolmaking

Mechanical Transmission & Components

Process Plant and Products Team

Contact: Valerie Allcock (Valerie.Allcock@dti.gsi.gov.uk)

Responsible for:

Engineering Construction

Process Engineering Contracting

Process Plant

Electrical Power Generation, Transmission & Distribution Equipment

Mechanical Handling

Mining Machinery

Railway Equipment

Domestic White Goods