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Dear Darren,

Thank you for your letter of 26 June regarding the Government response to the BEIS Select Committee's report *The Safety of Electrical Goods in the UK: follow up*.

First of all, allow me to congratulate you formally on your election as Chair of the BEIS Select Committee. I am pleased that the Committee continues to place an emphasis on the issue of consumer safety, and I look forward to keeping you and your Committee informed on this and our many other areas of mutual interest.

I am conscious that the product safety agenda has moved forward significantly since the Committee began considering the issue and published its first report in January 2018. In that time, the Government has set-up the Office for Product Safety and Standards (OPSS) to be the UK national product safety regulator. It has already dealt with a number of significant challenges since it was set up, both in terms of dealing with major product safety incidents such as the Whirlpool recalls and the response to the Grenfell Tower Fire relating to product safety, and is leading work to ensure that the UK is in a strong position to protect consumers and enable UK businesses to thrive now that we have left the EU and the implementation period is coming to an end.

The scale of the challenge is not to be under-estimated – the changing face of commerce and the emergence of new business models makes our work all the more important and complex. There is a clear Government commitment to ensuring that UK consumers continue to benefit from one of the strongest product safety systems in the world and we are focussing our actions where we can make the most impact, to precipitate change and encourage a culture of continuous improvement.

You raise a number of important issues in your letter and I hope that my answers below will provide the clarity you are looking for in terms of the Government's priorities and actions.

Whirlpool Product Recalls

I fully appreciate the Committee's interest in Whirlpool's actions to recall washing machines and tumble dryers and in Government's oversight of this. Whirlpool's actions mark the largest recalls of white goods in UK history, and it is right that they are open to scrutiny. As the national regulator, OPSS continues to hold regular meetings with representatives of the Whirlpool Corporation to analyse the data

provided, to closely monitor their progress and to hold the company to account. The information provided in these meetings covers a wide range of data and metrics in order to fully assess Whirlpool's response to the risks posed by the products which remain in consumers' homes. OPSS takes account of all available sources of information in determining the appropriate action to take when a safety issue with a product is identified. It is important that data used to make enforcement decisions is evidence-based and verifiable.

You have asked in your letter about the number of machines remaining to be recalled. The Government publishes updates on the number of recalled machines from both recalls. In relation to tumble dryers, as of 12 June over 100,000 cases have been fully resolved. In relation to washing machines, over 140,000 consumers with an affected machine have had their case fully resolved. These figures do not take account of those appliances which will naturally have fallen out of circulation due to age or replacement.

Whirlpool have provided evidence that they have undertaken significant investigation and quality assurance of the effectiveness of its modifications. The robustness of its approach has been under scrutiny by OPSS and the expert advisory panel led by the BEIS Chief Scientific Advisor. It is important to emphasise that the risk posed by these machines remains low. If at any point the evidence suggests that further action is required, the Government will not hesitate to do so, but we must recognise the risk is a factor in every aspect of life, and the job of Government is to ensure that those who are in a position to do so are managing that risk in the most effective way possible.

OPSS Incident Management Review

OPSS has developed its incident management expertise over the last two and half years, and uses lessons learned to continually improve its intelligence, processes and response to national issues. As mentioned in the Government response submitted in March, the Incident Management Plan is updated and published annually by the OPSS. The current plan was published in November 2019 and officials intend to publish the updated version in November of this year. This will take account of lessons learned from Whirlpool and other product recalls and from the market surveillance of key products such as PPE during the Covid-19 outbreak.

OPSS work with London Fire Brigade

OPSS and the London Fire Brigade (LFB) work closely on several areas of shared interest and this relationship is being strengthened by formal agreements being put in place. The details of the Memorandum of Understanding between OPSS and LFB have now been agreed by both parties. Unfortunately, the signing of this document has been delayed due to the Covid-19 outbreak. OPSS and LFB are in discussions to agree a date for signing and publication. I will, of course, ensure that the Committee is made aware when this is published. Officials in OPSS have also been working with LFB to develop a package of training for regional Fire Rescue Services to improve their capacity for forensic investigations and data collection related to fires involving consumer products.

Non-Disclosure Agreement Guidance

As stated in the response, the Government would not condone the use of Non-Disclosure Agreements to prevent consumers from discussing products with regulators where product safety issues are identified. The Government has been clear that under such circumstances, where an NDA is agreed, it should not prevent anyone providing information to regulators. Officials in OPSS have consulted with key stakeholders including trade associations to develop guidance for businesses on the use of such agreements. This will be published shortly. There are no plans to place this on a statutory footing as non-disclosure agreements are regulated by common law and nothing can prevent anyone approaching the national regulator when a product safety issue is identified.

Funding for Local Trading Standards

Funding for local authority trading standards is provided to local authorities on a non-ringfenced basis via the local government finance settlement. This year's Spending Review will be an opportunity to look at funding for local authorities and provide the sector with the certainty they need to aid financial planning across the services they deliver. Government has a long-standing policy to provide funding to local authorities on a non-ringfenced basis as this supports good, efficient and innovative financial management at a local level and gives local authorities the freedom and flexibility to make spending decisions based on their local needs and priorities.

The 2020-21 settlement for local government responded to the pressures councils are facing by providing access to the largest year on year increase in spending power in a decade, with Core Spending Power expected to rise from £46.2 billion to £49.2 billion, an estimated 4.4% real terms increase.

As laid out in the Government response, OPSS has provided significant support to local authority trading standards teams through its capacity and capability programme, delivered in partnership with the Chartered Trading Standards Institute, funding for testing of products and grant funding to enhance checks at ports and borders.

OPSS work with Online Platforms

As consumers continue to increase their use of online supply routes it is important that the sale of electrical products online is well regulated. The Government is committed to providing a regulatory environment that both ensures protection and encourages innovation in the products available and the ways they are supplied. Enforcing existing requirements and developing effective regulatory approaches to the online marketplace is a priority for OPSS, this includes working with online platforms to ensure they fulfil their duties and take an active role in keeping consumers safe. Officials continue to hold online suppliers to account to ensure they address safety issues and that product safety remains a priority.

Responses to letters sent by my predecessor were received from Amazon, Alibaba, eBay and Gumtree setting out their commitment to consumer safety. The companies outlined the policies, processes and the technical resources they have in place to identify and take down product listings featuring unsafe or recalled products. We

continue to actively engage with online platforms to encourage them to focus on the safety of consumers.

Review of the product safety legislative framework

As the Committee has recognised, technology has changed how we buy and use products, creating challenges and opportunities for regulators. It is vital that regulation keeps pace. Officials in OPSS are reviewing the current product safety framework to ensure that it is fit for purpose and is working effectively to protect consumers from new and emerging risks while supporting business innovation and growth. The work will include consideration of how best to protect consumers using new technologies and sourcing products from non-traditional routes.

Policy development

I appreciate the Committee is keen to be updated on a number of specific work areas. As I am sure you can understand, it is important that any action taken by Government is based upon sound evidence and takes account of the views of all relevant stakeholders. OPSS has a number of ongoing projects, some of which have been paused as the Office has pivoted its work to playing a crucial role in the Government response to the Covid-19 outbreak. Similarly work that was underway with NHS trusts on an accident reporting system has been paused while these trusts have been focussed on the Covid-19 outbreak.

I believe that now is an appropriate time to reassess priorities in these areas and to identify where Government can make the biggest impact, and indeed to consider whether BEIS or the Government is the body with the power to make the greatest difference. For instance, on the issue of indelible marking of white goods, following consideration of best practice, intelligence from fire officers and business feedback, I consider that working through stakeholders and influencers is likely to have the most impact. I have, therefore, written to BSI (the British Standards Institution) and asked that they work to include the indelible labelling of these products as part of individual standards as they are updated.

I know that product registration, and in particular mandatory product registration, is an issue which has been discussed at length by the Committee. While I share the Committee's view that manufacturers being able to contact consumers is an important element of an effective product safety system, this places the emphasis on reacting when problems are identified. I believe it is vital to focus our resources on taking action to ensure the safety of products before they enter the supply chain, rather than focussing on action after a safety issue is identified. This is a key priority for our review of the current legislative framework. However, where consumers are engaged and motivated to respond to recalls, registration can be effective. The work undertaken by the department and OPSS on behavioural insights and consumer attitudes research has informed our current pilot activities to promote consumer registration. We have considered approaches to mandatory registration and have concluded that the financial and administrative burdens of such an approach on UK businesses would be significant. The research shows that some consumers are unwilling to engage with product recalls even when they have registered their products. The current pilots on consumer registration must be allowed to be completed and be fully assessed before making any decisions on the relative benefit of a mandatory system with all the associated costs and difficulties of implementation

and enforcement. However, ahead of these results, the Government has already acted, working with BSI to publish a Code of Practice on Product Recalls which has been widely adopted by suppliers to the UK market and is promoted by OPSS and local authorities when advising businesses.

The Future Status of OPSS

The Government has committed to consulting on the future status of OPSS. I can confirm that this consultation will include consideration of a number of governance models, including making OPSS an independent, arms-length organisation.

I hope my response has been useful and I would welcome the opportunity to update the Committee on these matters in person.



PAUL SCULLY MP

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