



SUBJECT: Unlimited fines for health and safety offences

RECIPIENTS: All Service areas (including schools)

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Magistrates Courts could give fines of £10m+

New legislation has come into force granting Magistrates powers to issue unlimited fines for health and safety offences in England and Wales. This legislation came into effect on 12 March 2015, and provides that fines for breaches of Health & Safety are no longer capped and so will now be unlimited. Previously, the fine options available to magistrates, with regard to breach of regulations such as COSHH, were capped depending on the nature of the offence committed. The capped limit of fines was £5,000. In respect of health and safety offences falling under the Health and Safety at Work Act 1974 and the Health and Safety (Offences) Act 2008, fines were capped at £20,000.

Under the proposed sentencing guidelines large businesses found guilty of the most serious health and safety offences could face significantly increased sentences, for example, fines for corporate manslaughter could be as high as £20 million for a business with a turnover in excess of £50 million, whilst for fatal health and safety offences they could reach up to £10 million.

Fines ranges for the more serious H&S offences:-

- Micro - Turnover up to £2M = fine ranging from £270,000 to £800,00
- Small - Turnover £2M to £10M = fine ranging from £350,000 to £2M
- Medium - Turnover £10M to £50M = fine ranging from £1.2M to £5M
- Large - Turnover more than £50 million = fines ranging from £3m to £12M
- Very Large - where the turnover is outside the threshold for a large organisation, the court should move outside the suggested range to achieve a proportionate sentence

The unlimited fines will of course have serious consequences for businesses. Whereas previously it may have been seen to be advantageous to keep a case in the magistrates' court for hearing, due to the cap on fines, it is now likely an organisation may now choose to elect to have their hearing in the Crown Court in order for any sentence to be assessed by a judge, rather than a lay magistrate. It is anticipated that the guidelines will encourage magistrates to make use of the higher level of fines and the greater sentencing powers of the magistrates, combined with the new (anticipated) guidelines will lead to a much tougher stance from the courts, with much larger fines being handed down to organisations as a result

If you require further assistance or clarification on the subject please contact:

Corporate Health & Safety Advisers (see George section: Corporate > Information for Working > Risk Management > H&S Advisers)