



Compliant Britain

Report commissioned by: Hantec Systems Ltd

Why the professional implementation of
management systems and regulatory compliance
will give your company the competitive edge



Introduction

Nothing can be said to be certain, except death and taxes, said Benjamin Franklin. Of course if he were alive today, he'd add regulation and compliance to the list.

There has never been more pressure on the independent company with the continuing increase in rules, regulations (and regulators), but not just in terms of time and money. The legal risk has grown exponentially. One error or incident can put a company's reputation at risk and potentially call into question its ability to continue.

But could the professional implementation of management systems and regulatory compliance give a company a competitive edge, the chance to bid for contracts, which would otherwise be the preserve of larger concerns. Can it provide the platform for sustainable growth, to attract investment for example?

At two symposium events, directors shared their views on the issues from the independent company's perspective for this report commissioned by Hantec Systems.



The coalition government published a strategy for reducing regulation with the introduction of the one-in, one-out system, and then one-in, two-out. Has that had a noticeable impact? In Canada, the government enshrined that very system in their Red Tape Reduction Act 2015. If you had the keys to No10, is there a particular regulation or piece of legislation that you would remove - and one that you would like to see introduced?

David Errington, group chief executive, Goadsby:

“What we don’t want is to have parliament full of people who don’t understand business. I can give you an example of the consequences. A new regulation requires carbon monoxide detectors for open fires – but not gas appliances, which are more numerous and generally regarded as potentially more dangerous! The government have therefore prioritised and attacked the wrong problem. Moreover this is already covered by Health and Safety rules. So landlords have to comply with two sets of regulation to achieve one goal. I would like to see a representative from business check every piece of legislation for consequences, which our politicians wouldn’t be able to recognise. We need a business champion.”

Martin Stewart, managing director, Stewart Garden Lands:

“If a company handles more than fifty tonnes of packaging, then it has to measure the amount to comply with the packaging waste regulations. But we’re the retailer - the impact should be on the manufacturer. We’re in the middle, between the consumer and the manufacturer, and there’s no influence we can bring to bear. I would suggest that Health & Safety should be separated; then there would be more respect for them.”



Ian Rodd, managing director, Ward Goodman:

“The regulations which really grind companies down are to do with employment. Genuinely I believe an employer is at risk from breaching some regulation just in terms of talking to their staff on an every-day basis. And I think that makes it harder to manage people effectively. We need to protect the workplace and the environment, but we could learn from the Canadian model where proposed legislation is first looked at through a small business lens. In this country I would like there to be a requirement for legislators to investigate whether a less burdensome option is available.”

Antony Fanshawe, managing director, Nolan Davis:

“My big bug bear with regulation by and large is that it needs to be more pragmatic. I don't think that regulators really understand what they should be looking at in terms of identifying the impact of what they are proposing on the operation of a business. For the regulator it is all about tick box compliance, and I would want to see regulation becoming principles-based, on whether a good job has been done.”

Tim Stone, chairman/partner, Steele Raymond:

“I would argue that there needs to be proportionality so that certain regulations are applied to businesses in a way which is appropriate to their size or even sector. An entrepreneur who has just started a company and has two employees has the same regulations to face and compliance regime that an IBM would be addressing. A company will produce a Health & Safety policy, but in itself, is that protecting people? Compliant yes, but does it have any meaning if the tick-box document then just gathers dust on a shelf?”



Trelawney Dampney, managing director, Eco Sustainable Systems:

“I think we can all come up with an example of how regulations go too far. We have to submit a detailed plan to demonstrate how we are going to re-cycle a concrete slab we want to put down. That doesn't require any new technology or even thinking, but the point is that we won't be here in a hundred years time when removal of that slab might be required, and the drawing up of the plan now simply causes a delay. But I think there is a more fundamental issue which needs to be addressed. If schools developed the moral compass of the next generation, then would we need to have all the regulation we have? Wouldn't it mean that people would be more aware of how we should treat each other?”

Colin Williams, joint managing director, Williams Shipping:

“I do feel that as far as the regulators are concerned, running a business is like committing a crime, and that they are out to get us for something! I would like government to take a more positive approach to encourage business, by having account managers who would contact a company and say ‘I'm from HM Government, how can we help, what's holding you back?’ I do think that micro-businesses need to be encouraged rather than being drowned by regulation. I visited a small country pub and the landlady was sitting at a table which was strewn with paperwork about risk management. I asked how her business was affected by regulation. When she stopped crying, she told me it took longer to deal with than actually running the business. We need to take that tiny turnover size of business out of it because most of the regulations don't really apply to them but they still have to wade through everything.”



Barry Kick, founder/managing director, Linsar UK:

“This idea that someone from business could go into government to sanitise some of the regulations is interesting. Of course they tried to do that at Downing Street but the celebrity, television personality businessman they brought in wasn’t the ideal person. How would he have empathy with most owner-managers? As the producers of consumer electronics we have a hefty bill for recycling product. The televisions which come back are heavier and bulkier than the ones we are selling - old glass tube rather than flatscreen - and in reality that means we are picking up the bill for other manufacturers’ products.

There are fifty compliance schemes relating to our sector - in Germany there are three. And that of course drives additional underlying cost through the supply chain. I would like to see better regulations relating to a product recall, so that the manufacturer, retailer, and consumer know exactly where they stand. It would serve to bring multi-nationals into line and create a more level playing field.”

Caroline Collings-Wood, managing director, Stafford Rhodes:

“There should be exemptions for SMEs. I’m sure if you said to a government official that first they had to identify the regulations they had to comply with, and then work out how to do so, they would say it’s impossible. But government expects every owner-manager to have that knowledge.”



Lyndon Stickley, managing director, Stratagem:

“Without proportionality, health and safety regulations are a sledgehammer to crack a nut for low-risk businesses. I have sympathy for the pub landlady, but if a particular regulation has no real relevance, what is the likelihood of a penalty if she doesn’t comply? A survey in 2014 found that 70% of businesses in the UK weren’t even aware of what changes had been made to Health & Safety. SMEs have enough to do, trying to grow the business, without devoting time to proactively seek out changes in regulation. The government obviously has contact details for every business, so with digital communication, it shouldn’t be difficult to bring changes to their attention.”

Paul Fox, managing director, Merryhill Envirotec:

“How do SMEs find out what needs to be implemented? Government could make it easier for us. Why couldn’t they bring all the information together and each quarter email it to every company?”

Steve Driver, managing director, Spirit Circuits:

“If we decide that instead of punching a card every morning we’re going to run our own business, then we have to conform to regulation because it’s our responsibility. Most of it is about common sense and good practice. But I’m not so sure about proportionality. I think microbusinesses are often blatantly ignoring regulations that we have to comply with. I’ve seen these car wash businesses in supermarket car parks using power washers which haven’t been gone through portable appliance testing, and then just tipping dirty water down the drains without a discharge licence. The type of legislation I would like to see abolished would relate to issues such as the minimum wage. Companies should be able to pay their staff what they are prepared to work for - it isn’t the role of government.”



Christopher Bayliss, chairman, C&O Tractors:

“Regulation isn’t the only way to achieve standards. If a company develops a new technology or takes an approach which is innovative it can force competitors to up their game.”

Keith Reilly, managing director, Alfatronix:

“I think ‘regulation’ gets a bit of a bad press. In many cases, companies and employees need to know what they have to do, and regulations give you standards to work to, otherwise we’d have to work it out for ourselves and it would be arbitrary. But employment law has perverted the relationship between a company and its staff. An employee can pull out the discrimination card at will. I’m happy that companies should be made to treat people properly rather than the legislation being focused on race and gender. What I would introduce is a law which forces a quoted company to pay their suppliers on time, and which is enforced. A corporate can put a small business down without it even crossing their radar that they are to blame for not paying on time. It shouldn’t be allowed.”

Paul Fox, managing director, Merryhill Envirotec:

“It is outrageous that larger companies and government departments can delay payments to SMEs and use that money to prop up their cashflow. If an invoice is disputed, then by law, the portion which isn’t should have to be paid within the originally agreed timescale. It would help business if government curbed no-win, nofee litigation. A letter can drop on my desk from a lawyer instructed on that basis and I know I’ve then got two days’ work ahead of me just to defend what will be spurious allegations. We have had to go to court on three occasions and have always walked away successfully - but that has come at a cost of thousands of pounds just in terms of management time.”



Jeremy Gill, finance director, Enhanced Technology for Business:

“Politicians are good at talking, and the idea of one regulation out for every new one in is just one example. What they need to realise is that compliance is an overhead, so let’s get government departments working together for business so we don’t have to give the same information to them individually.”

Ian Lockett, managing director, Locketts Travel:

“We do our damndest to make sure we comply with regulations to make it as safe and comfortable for our customers as possible. The problem is that not everybody else in our sector does. We invest time and money to comply but the regulations aren’t sufficiently enforced. If an operator isn’t fully compliant, it doesn’t mean their vehicles are going to run off the road, but often the enforcement only happens when there is an issue.”

Colin Williams, joint managing director, Williams Shipping:

“There is a huge number of trucks on the road illegally. The drivers aren’t complying with the regulation concerning the number of hours they can work, for example, which means our price will be more expensive. A big frustration is that the cowboy operators keep getting away with it, especially foreign trucks, because there isn’t enough resource to police the regulations.”

David Welch, managing director, Ramora UK:

“In the disposal of explosives and ordnance we have zero regulations apart from Health & Safety, and that troubles me greatly. If there are strict regulations, compliance demonstrates professionalism. To prevent the charlatans in their white vans from having free rein, not only does there have to be regulation but it needs to be policed effectively.”



Graeme Quar, head of commercial law, Biscoes solicitors:

“A bee in my bonnet is the Data Protection Act. Every year we have to send off £35 to the registrar, and I have no idea why every business, regardless of size, has to do that.”

Phil Ford, founder/director, Copyrite:

“We highlight compliance in order to show clients that we are a responsible company committed to best practice. What concerns me is that it isn’t just government putting the onus on businesses to comply with regulations which aren’t related to their core activity, such as whether a client has been engaged in money laundering. The leasing companies expect us as re-sellers to do it on their behalf.”

Gerard Price, founder/chairman, Bargate Homes:

“My concern is that increased regulation results in more standardisation, because for a volume housebuilder, for example, it is much harder to comply with regulation if they are introducing individuality within their developments. The result is cookie-cutter schemes.”

Simon Berry, managing director, Appoint Group:

“As an employment agency, we are left to do a lot of interpretation of regulation and this leads to different businesses working to the same regulations but in very different ways. The result is that they can mean different things from firm-to-firm. So I would like more clarity, and that extends to the use of everyday language.”



Andrew Skipsey, founder/managing director, M12 Solutions:

“I’m concerned that regulation in the digital age can move us towards a ‘big brother’ state. As an internet service provider there is going to be a requirement on us to monitor every website visited by our client base. But how workable or even useful will this be with so much public internet access, public spaces, hotels, coffee shops? Legislators need to take into account whether what they are proposing is workable and effective. Complying properly within our lightly regulated telecoms industry is where we want to be. But it is amazing that anyone, even a ‘Fred in a Shed’ can get an account with an industry distributor and regardless of their background, start to market themselves and take contracts for some very important and mission critical services.”

Rod Clarke, BVM Embedded Intelligence:

“We have all the regulation which is aimed at the domestic product manufacturer to address, but we make for the commercial market. As manufacturers, we have to certify that what we do complies with REACH, the chemicals management regulation, even though we don’t touch any chemicals. We are policed not by the regulators but our larger customers who ask for evidence of compliance. So responsibility is being pushed down the supply chain.”

Alastair Bell, chairman, Bell Integration:

“The market leader will prefer more regulation rather than less because the cost of compliance acts as a barrier to entry. The reality is that with compliance, a company will be governed by its clients as well as government.”



Steve Driver, managing director, Spirit Circuits:

“Compliance is driven by our customers more than government. We have to conform to their standards, and they will be higher than those required by the actual regulations. Our ability to do that is a selling point.”

Felix Bolger, managing director, Homelodge:

“Business works best with certainty, and what can happen with regulation, especially with building regulations, is that it keeps changing. If I could introduce a regulation it would be to make planning authorities stick to their statutory requirement to meet the deadlines set for a decision to be made - without exceptions.”

Sue Clarke, founder/director, Morgan Innovation & Technology:

“I would like to see the regulatory bodies, the accreditation companies that we have to deal with, not behave as if they are a cartel. We lost a quality manager to cancer, and didn't realise that we had missed the time for an audit. The organisation concerned didn't make contact to remind us. But when we got in touch, they dictated that they would have to dispatch two people to our offices for four days, so we had to pay for the equivalent of eight days of consultancy time - for a business which has but forty staff. This is a standard response, so authorised bodies need to be made to be more competitive and there should be an independent body which companies can appeal.”



Are regulatory issues taking more of your time, and what specific areas (or measures) in particular concern you?

Phil Ford, founder/director, Copyrite:

“We have two people who spend 70% of their time dealing with regulatory matters for the tenders we write. It’s a cost. Are smaller competitors doing it correctly, and are they punished if they fail to do so? The answer is no.”

David Errington, group chief executive, Goadsby:

“Twenty years ago the file for a residential house sale would have four main documents in it. Now we have a checklist of some fifty tasks we have to address for the transaction to take place, including money laundering. Recently a bank produced a 1000-page document relating to valuation work, which would have required our directors to be personally liable.”

Ian Lockett, managing director, Locketts Travel:

“What would help is if government applied the ‘is it reasonable and practicable?’ test. It cannot be right that an SME is having to spend the same amount of time and resource as a corporate. That isn’t a level playing field.”

Alastair Bell, chairman, Bell Integration:

“The penalties for not complying can be breathtaking. Fail the requirements of up-coming data protection law and a company can be fined 2% of global turnover.”



Phil Ford, founder/director, Copyrite:

“In a global marketplace, we can be at a competitive disadvantage because with different degrees of regulation in different countries, there isn’t a level playing field.”

Barry Kick, founder/managing director, Linsar UK:

“If a UK company is competing internationally, then the cost of compliance is going to have an impact on its competitive position. I’m not suggesting we adopt the lowest common denominator approach – I can remember visiting a Chinese factory where fire protection was a bucket of sand -but the point I am making is that the playing field certainly isn’t level.”

Caroline Collings-Wood, managing director, Stafford Rhodes:

“The amount of time that an SME has to spend on compliance is prohibitive. It isn’t just government but corporates who need to apply proportionality.”

Ian Lockett, managing director, Locketts Travel:

“I’m not convinced that proportionality is appropriate. If a coach operator has one vehicle to offer, and we can provide the same vehicle but it’s one of more than a hundred we have invested in, that coach will be carrying the same number of passengers regardless of the size of the operator, so why should the smaller operator be able to be less compliant?”



Gerard Price, founder/chairman, Bargate Homes:

“What I have noticed is that regulations have hidden, unexpected costs. A good example is the Health & Safety Executive which decided to levy a charge if they found any infringement. Before, if they identified a problem, they’d work with the company to fix it. Now their inspectors will have revenue targets. That changes the relationship between regulator and company, and it isn’t serving to drive up standards either.”

Caroline Collings-Wood, managing director, Stafford Rhodes:

“But that’s not across the board. If there was an issue, Trading Standards used to go in and effectively shut a business down; now they go in and help a company to enable it to comply.”

Paul Fox, managing director, Merryhill Envirotec:

“I just feel that regulation is squeezing every element of risk taking out of business.”

David Welch, managing director, Ramora UK:

“Pleasingly I think there’s been a step-change at the HSE. I’m picking up that they seem to be realising that in life there will always be risk.”

Sue Clarke, founder/director, Morgan Innovation & Technology:

“It takes longer to deal with regulation because of its growing size and complexity. There was a four-page regulation which came out of Brussels which turned into a forty-page document by the time it went through Whitehall.”



Graeme Quar, head of commercial law, Biscoes solicitors:

“Our code of conduct was about 500 pages, but now the focus is on outcomes, it’s been trimmed down to twenty. The problem is that we have to write the same formal letter to a new client who is a first-time buyer as well as to someone who has previously bought five or six properties.”

Lyndon Stickley, managing director, Stratagem:

“Part of the issue is that regulation keeps civil servants employed. Many of them exist in jobs because of ‘red tape’ – they’re not going to be the ones to take a commercial view and reduce the burden on businesses, it’s not in their interests.”

Martin Stewart, managing director, Stewart Garden Lands:

“But some of the worst examples of bureaucracy come from the private sector. It isn’t unusual for a facilities management company to be the middle man in some of our landscape gardening contracts, and they have turned simple tasks like mowing the grass into a complicated form-filling procedure.”

Jeremy Gill, finance director, Enhanced Technology for Business:

“It could be that in a corporate, success is often measured by the size of your department; in a smaller firm it’s about getting the order.”



Colin Williams, joint managing director, Williams Shipping:

“For the huge sewage renewal scheme under the Thames in London, we’ll be providing barges and tugs. The private sector consortium has put together regulations which are so onerous that it’s a struggle for any contractor of our size. To give you an example – if our experienced crews are going to be deployed to work on the Thames, they will have to go on a simulator first. The cost for that training is £21,000.”

Antony Fanshawe, managing director, Nolan Davis:

“But isn’t that where regulation is a barrier to entry, to force smaller contractors out of the market?”

Tim Stone, chairman/partner, Steele Raymond:

“And some of the regulations applied by corporates are so complex that smaller suppliers just aren’t able to engage.”

Keith Reilly, managing director, Alfatronix:

“I can give you an example where regulation does make it very difficult for new companies to enter a market sector. We’ve looked at the rail industry where we can achieve a premium price for our product, but there are regulations in place which seem more designed as a barrier to entry than for any other practical reason, and that’s wrong. Regulation should be about honesty, not creating cushy conditions for existing suppliers, and a supply chain which cannot be as competitive, innovative, and efficient as it should be. Another reason why train tickets are so expensive.”



Trelawney Dampney, managing director, Eco Sustainable Systems:

“My business benefits from high barriers to entry, but a reason for regulation is to keep cowboy operators at bay. But does regulation drive up productivity? It doesn't. Does it drive competitiveness? It doesn't.”

Martin Stewart, managing director, Stewart Garden Lands:

“No-one has mentioned pension and auto-enrolment, but why couldn't it have been tagged onto National Insurance where the mechanism is already in place?”

Ian Rodd, managing director, Ward Goodman:

“When we saw what was happening with auto-enrolment we were stunned and amazed. It means a company having to decide whether each of its employees fits into a particular box. The fact is, with so many regulations which are introduced in this country, the government relies on major companies to make it work in first instance.”

Trelawney Dampney, managing director, Eco Sustainable Systems:

“When government talks about reducing the burden of the state, it means placing more on the shoulders of business.”

Felix Bolger, managing director, Homelodge:

“In order to comply with regulation, it is expected that we will bring in specialist consultants to cover such things as SAP testing, acoustic, light, fire, and ventilation for example and their advice can conflict with each other.”



Simon Berry, managing director, Appoint Group:

“Most major tenders we look at require details not just of compliance but which organisations our company is a member of. ISO accreditation is an obvious example. There will be growing, ambitious businesses that don’t need that accreditation at this stage of their development but which are being forced down that route.”

Sue Clarke, founder/director, Morgan Innovation & Technology:

“The duplication of effort is frustrating. With regard to the health sector, gaining national approval doesn’t automatically mean we can sell the product, because every hospital will have its own approval process, which adds to the time and cost.”

Gerard Price, founder/chairman, Bargate Homes:

“The increasing cost of regulation is a barrier to entry in itself. Twenty-five years ago, over 80% of new houses were developed by companies which built less than 1000 a year. Now 80% comes from those which construct more than 1000 a year. One of the reasons is that the cost of making a planning application is so prohibitive, with various reports which have to be commissioned. So regulation is resulting in less competition as well as standardisation and uniformity. Is that healthy for UK plc? I would suggest not.”



David Welch, managing director, Ramora UK:

“I love regulation so much I have a compliance officer and an assistant. It means I can say to a prospective client just look at the professional way we operate. We have six volumes of procedures which we have written in-house because they provide us with a platform for consistency. This is our choice. You could say we are complying with our self-made regulations because our industry doesn't have them. That's what makes us different.”

Rod Clarke, BVM Embedded Intelligence:

“I'm not sure regulation necessarily achieves what was intended. When lead was outlawed in solder, apart from some applications such as military and medical, it was for environmental considerations. But the consequence is that the lead-free replacements are less reliable, so more waste is created, and the end-product is less likely to be as reliable or durable.”

Paul Fox, managing director, Merryhill Envirotec:

“The problem is that sometimes regulation flips depending on which party wins the general election. What we need is a government which is interested in more than gaining a majority in five years' time, otherwise regulation is introduced opportunistically to deal with short-term issues as they arise. If we had a longterm view, which might even result in an industrial strategy for the country, then government wouldn't have to regulate every five minutes. If a long-term business strategy is prepared by government, then it can plan any regulation which needs to go along with it.”



What are biggest challenges for companies in terms of introducing and applying new regulations?

Sue Clarke, founder/director, Morgan Innovation & Technology:

“Culture is the key. If you can get your people to buy into the need for regulation, then compliance is easier. Otherwise everyone ends up paying lip service, and that makes the company vulnerable.”

Paul Fox, managing director, Merryhill Envirotec:

“At the last count we have fifteen accreditations on the wall. That doesn’t necessarily mean that a company is actually good at what it does. It needs to have a culture which results in an understanding throughout the business of why the certificates are important and what they mean. Unless a company is engaged with its staff and clients, the certificates aren’t going to guarantee anything. I always think the best question that any inspector could ask us is ‘why should I allow your company to remove asbestos from my child’s bedroom?’”

Felix Bolger, managing director, Homelodge:

“I suppose you could make the case that regulation helps a company to pro-actively shape its culture and forces the industry to work to a higher standard.”

Alastair Bell, chairman, Bell Integration:

“If compliance delivers consistency, then that is going to be a good basis for future business development.”



Rod Clarke, BVM Embedded Intelligence:

“Having accreditations such as ISO mean that an external inspector will come in to review how we are performing, and I find it useful to have this independent assessment of our operating procedures and regulatory compliance.”

Andrew Skipsey, founder/managing director, M12 Solutions:

“Compliance is one limb of a management system. It means that a company is more likely to be doing the right things at the right time.”

Simon Berry, managing director, Appoint Group:

“Compliance is an additional growing pain for the ambitious company, and it’s a question of being able to apply it to a culture of entrepreneurialism.”

Graeme Quar, head of commercial law, Biscoes solicitors:

“May I submit that as consumers we want to know that new drugs are safe - indeed, we make that assumption. We want to know that the driver of the lorry up ahead hasn’t been at the wheel nonstop for twelve hours. A company which wants to be best will have naturally and voluntarily applied best practice standards beyond the requirements of regulation and compliance.”

David Welch, managing director, Ramora UK:

“But there can be a dilemma, Our culture is based on understanding why rather than blindly follow a course of action. So if a regulation doesn’t make sense or is inappropriate, but a business still has to comply, that contradiction can make it difficult for people.”



Ian Lockett, managing director, Locketts Travel:

“The values of a responsible business won’t be different from the requirements of regulation. In fact one of our values is compliance. And if there is something which needs to be addressed, then it should be fed back to whatever trade association your company is a member of, because they should be acting as a conduit to government.”

Barry Kick, founder/managing director, Linsar UK:

“The spirit of business should be a desire to do things the right way, to provide a safe and honourable place to work. So intrinsically, compliance underlines our values.”

David Errington, group chief executive, Goadsby:

“A company has to design control systems to make sure the most important issues are monitored and addressed so that the directors can sleep at night.”

Christopher Bayliss, chairman, C&O Tractors:

“It has to be a system which doesn’t add to the burden - if it’s too onerous, then people will either not follow it or try to find corners to cut, so it won’t deliver.”

Antony Fanshawe, managing director, Nolan Davis:

“I’ve taken the view, a strategic decision, that we need to build on our compliance capability because that is going to be a cornerstone of a sustainable business.”



Tim Stone, chairman/partner, Steele Raymond:

“It comes back to what happens at the coalface. Compliance can’t just be about ticking boxes. It has to be put into practice.”

Colin Williams, joint managing director, Williams Shipping:

“I would say that 25% of our monthly board meetings are spent with our compliance manager. We talk about communicating up and down the company, particularly in regard to near misses. A piece of advice I would always give is that whenever anything is discussed, at a management meeting or with an employee, make a note for the file.”

Lyndon Stickley, managing director, Stratagem:

“My primary aim is profitable growth through happy staff and happy clients. So there’s a need to identify the critical issues of compliance and to separate the signal from the noise. For me it’s about attitude. Have a system and procedures to cover the important stuff, then focus on the marketplace, because if a company is constantly worried about backside covering, it won’t have time to do anything else.”

Steve Driver, managing director, Spirit Circuits:

“As soon as you walk into a business you can tell a lot about the attitude of the owners and the employees. If they won’t care what their reception or the washrooms look like, whether they’re clean and tidy, then that gives an indication of what their attitude to compliance and quality is going to be.”



Chairman's Summary:

"It isn't compliance issues which really cause annoyance - but that competitors who disregard compliance are seemingly getting away with it. But good companies will always want to do the right thing regardless of what competitors are doing, and they make it a habit rather than a chore which has to be addressed from time to time.

How would the reputation of your business be affected, both internally and externally, if the company isn't showing care and understanding? Because compliance and quality is about care and understanding, and non-compliance isn't just a disregard for the law and regulations, but for the well-being of the company's staff and other interested parties.

A company will look at compliance and regulation and make conscious decisions where it needs to allocate resource, which will be the areas where the impact on the business is most significant. But that cannot be done a piecemeal basis and there has to be clarity in thinking. And that means taking to account what is often referred to as 'interested parties' and how you affect them by your actions.

Compliance and regulation often have implications that a company would not have considered. How many times do you see someone driving with a mobile phone pressed to their ear? If it happens to be your employee, and if they are travelling on company business in their own car or the company's, the onus is on you to have outlined the policy - and law relating to mobile phone use and to have the employee sign it. Burdensome? Not if there's an accident relating to mobile phone use which results in damage to people and the company's reputation.

I remember speaking the owner of an engineering company who said there wasn't any need to invest in health and safety because there hadn't been an accident in over twenty years. I replied that my house hasn't been burgled in all the time I've owned it, but I still invest in security devices and insurance.



There are times when regulation can seem trivial, and I can give you the example of a client who has a fork-lift truck operating in a small warehouse. Even if the operator steps off the vehicle just for a minute, the key cannot be left in the ignition, just in case someone who isn't authorised should jump in the cab to move something. The company owner is just as liable in law as the unauthorised driver.

Of course compliance isn't just a requirement of the law, the regulators and those who accredit externally recognized standards, such as ISO9001. Companies will have their own procedures and values which they expect their people to follow.

Quality companies will always want to do the right thing, and for them, compliance is the minimum standard, and any business which strives for excellence will always be above the compliance threshold."

Paul Wallis
Managing Director
Hantec Systems



Reference:

Alfatronix - manufacturers of voltage converters and power supplies for the communications, automotive, marine industries.

alfatronix.com

Appoint Group - multi-discipline recruitment consultancy placing skilled staff on a permanent, temporary, or contract basis across the UK.

appointgroup.co.uk

Bargate Homes - mission statement 'to create beautiful homes in the best locations which will both stand the test of time and provide a lasting legacy'.

www.bargatehomes.co.uk

BVM Limited - supplier of bespoke industrial computer systems for control, display and automation applications.

www.bvm.co.uk

Bell Integration - IT services and consulting including data centre optimisation, workload migration and optimisation, IT lifecycle management, IT strategy.

www.bell-integration.com

Biscoes Law - six offices serving individual and commercial clients.

www.biscoes-law.co.uk

C&O Tractors - suppliers of Ford New Holland tractors and machinery.

candottractors.com



Copyrite Business Solutions - total document solutions provider, including managed services and consultancy.

www.copyrite.co.uk

Eco Sustainable Solutions - providers of recycling, renewable energy services, landscaping materials.

www.thisiseco.co.uk

Enhanced Technology for Business - IT services and infrastructure technology for ambitious companies.

enhanced.co.uk

Goadsby - residential and commercial property consultants and agents, with 28 offices across the south.

www.goadsby.com

Hantec Systems - management consultancy for the improvement of business processes, sustaining growth, protection of brand and company officers.

www.hantec.co.uk

Homelodge - manufacturers and installers of modular timber buildings for domestic, educational, and commercial uses.

www.homelodge.co.uk

Linsar UK - British LED and 4K television brand, selling through retailers such as John Lewis.

www.linsar.com



Lucketts Travel - the south's largest independent coach operator, National Express route operator, holiday tour operator.

www.lucketts.co.uk

M12 Solutions - single-source solutions provider for business telecommunications.

www.m12solutions.co.uk

Merryhill Envirotec - compliant and fully HSE licensed asbestos removal contractor.

www.merryhillenvirotec.com

Morgan Innovation & Technology - designs, develops and manufactures new products in both medical and commercial sectors.

morganiat.co.uk

Nolan Davis Contracting - general builders and joiners, founded over 50 years ago.

www.ndcontracting.co.uk

Ramora UK - ensuring safety from explosives through planning, training, and the removal of ordnance.

www.ramorauk.com

Spirit Circuits - printed circuit board manufacturers committed to reducing lead times and increasing yields.

www.sclpcbgroup.com



Stafford Rhodes Group - management, business and training consultancy.
www.staffordrhodesgroup.com

Steele Raymond - recognised as a top tier law firm by the legal directories in company and commercial, commercial property, commercial litigation.
www.steeleraymond.co.uk

Stewart Garden Lands - family-owned garden centre, nursery, and landscape gardening business established more than 260 years ago.
www.stewarts.co.uk

Stratagem Management Services – providing companies with ‘unreasonable advantage’, addressing growth transformation, planning and strategy, disposal.
www.stratagem.uk.com

Ward Goodman - chartered accountants, financial advisers for owner-managed business.
www.wardgoodman.co.uk

Williams Shipping Group - family-owned business established over 120 years providing marine services, transport and storage, marine lubricants, shipping containers.
www.williams-shipping.co.uk



Compliant Britain

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COMPLIANCE – QUALITY – EXCELLENCE

Why there really is no dividing line between them

If a company does not get compliance right, then according to research (from management guru Philip Crosby) it comes at a cost in terms of quality – and that figure can be as high as 20% of sales.

But how can it be such a colossal amount?

Well, first we need to understand that the two are inextricably linked, and that compliance means much more than meeting regulations and legislation (health & safety, company and employment law to name a few). We also need consider customer standards and specifications, ISO and British standards, the requirements of the country you export to, employee standards and requirements, including culture and your company's own values.

The pressures of today's business environment with the increase in legislation and regulation, and the corresponding increase in risk, means that one small act or incident can damage a company's relationship with their customer, put its reputation at risk and potentially call into question its performance and ultimately its existence.

Businesses that fail to understand the impact of effective quality and compliance management on sustainable growth are the ones that tend to fall behind.

Those with effective policies and procedures in place, are more engaged in monitoring quality and compliance and gathering the necessary data to support decision-making and risk mitigation, are more likely to experience improved quality and sustainable growth.

There is a difficult balancing act between being compliant, maintaining budgetary control and ensuring there is sufficient support to encourage growth.



Compliant Britain

Through the implementation of robust management systems and strategic plans for growth, Hantec Systems help companies to:

- Improve their business processes
- Enhance their business model
- Protect their brand and reputation

The only compliance to excellence consultancy that offers strategic direction and advanced planning of critical business functions, for ambitious companies seeking sustainable, profitable growth, we see our role is to:

- Ensure that business is carried out diligently, ethically and with integrity
- Ensure that business is conducted in compliance with professional standards and accepted business practices
- Identify and manage legal and reputational risks

Working with the business leader, we provide a creative and innovative contribution to the board by delivering:

- Independent audit, management and development of the business processes
- Compliance management to mitigate risks and protect brand
- Constructive challenge to the strategic development

Through good quality and compliance management, a company will be more efficient and produce better quality, which will lead to improvement of brand and reputation, leading to more sales and ultimately more profit.

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