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HEALTH AND SAFETY COMMISSION

Corporate responsibility and accountability for health and safety : publication of two HSE research reports on public reporting and directors' responsibilities and progress report

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Issue

1. This paper reports progress on research conducted to indicate progress on key HSC/E initiatives that seek to promote greater corporate responsibility and accountability for health and safety :
 - research that assesses the level of the public reporting of health and safety targets and performance by top companies and a sample of public bodies (to be published on 16 July 2003);
 - research that assesses the board level arrangements that large companies and public bodies have in place and the extent to which board and directors provide leadership and direction on health and safety (to be published on 16 July 2003);
 - Sets out the issues that a fuller paper on corporate responsibility and accountability for health and safety will address that is scheduled for Commission consideration on 14 October 2003.

Timing

2. Routine.

Recommendation

3. That the Commission notes progress of the various initiatives.

Background

4. *Revitalising Health and Safety* included actions on HSC to :
 - Promote public reporting of health and safety targets and performance by the top 350 companies and public bodies (see *RHS* Action points 2 and 13) – in March 2001 Government and the Commission issued a ‘challenge’ to top companies to report publicly from 2002 in line with the HSC guidance, “*Health and Safety in Annual Reports*”;

- Encourage boards and directors to provide leadership and direction on health and safety through guidance and advise Ministers on the effectiveness of the voluntary approach and the need for further legislation (see *RHS* Action point 11) – the Commission issued guidance in support of this *RHS* action in July 2001, “*Directors’ responsibilities for health and safety*”.
5. The Commission noted progress on taking forward key HSC/E initiatives to promote greater corporate responsibility and accountability for health and safety in April 2002 (see HSC/02/11). The paper noted that although much was being done by a diverse range of stakeholders to promote greater corporate responsibility and accountability for health and safety more needed to be done to engage effectively with sponsors of change and other stakeholders to succeed in our goal of managing corporate risk to occupational health and safety.
 6. The Commission returned to the matter in May 2002 (see HSC/02/82) and agreed a number of additional actions considered useful in taking forward the HSC/E’s corporate responsibility and accountability strategy. These include :
 - Working with corporate social responsibility movement and business to promote health and safety;
 - Developing a health and safety management index;
 - Developing business case for health and safety;
 - Helping investors to identify good and bad health and safety performance;
 - Engaging with investors and clients in construction and property sectors.
 7. Research to assess the level and quality of public reporting of health and safety and the extent to which board and directors provide direction and leadership on health and safety has now been completed and is scheduled for publication on 16 July 2003. The headline findings of the two research reports are as follows.

Public reporting of health and safety

- A significant increase in FTSE100 companies reporting, up from 47% in 1995, to 56% in 2000 to 91% in 2002;
- 78% of top companies reported in 2002 up from 47% in 2000;
- 79% of public bodies (42) surveyed make health and safety information publicly available;
- the report measures the quality of reporting against HSC guidance and identifies examples of good quality reporting including Boots, United Utilities, DTI and Sefton MBC.

Directors’ responsibilities for health and safety

- 66% of organisations surveyed in 2003 reported board level direction compared to 58% in the baseline survey of 2001;
- 80% of respondents report they have a board level person responsible for health and safety;
- approximately 15% of organisations who reported no board level direction indicated they had no plans to put such arrangements in place;

- 80% of those surveyed were aware of the HSC guidance on directors' responsibilities.
8. The paper scheduled for the Commission's consideration on 14 October will include an evaluation of the effectiveness of the current HSC/E initiatives for corporate responsibility and accountability that are in place, including those on public reporting and directors' responsibilities, and explore options for taking the various measures.
 9. We also hope to be able to report in October on research to take forward actions agreed by the Commission in October 2002 to develop :
 - a health and safety performance management index;
 - case studies that show both the business and social benefits of health and safety.

It is intended that both these pieces of research will form the basis of HSC guidance for publication later this year.

Presentation

10. The publication of the research reports on health safety reporting and directors' responsibilities will be accompanied by an HSC Press Release (to follow) and we will also be seeking to promote the effectiveness of the Commission's initiative in the relevant media.

Costs and Benefits

11. To be addressed in October 2003 paper.

Financial/Resource Implications for HSE

12. To be addressed in October 2003 paper.

Environmental Implications

13. None.

Other Implications

14. None.

Action

15. To note progress as set out in para. 3 above.