

Health and Safety Executive Board Minutes

Meeting Date:	18 September 2002	Open Gov. Status:	Open
Type of Paper:	Minutes	Paper File Ref:	
Exemptions:	None		

HEALTH AND SAFETY EXECUTIVE

HSE Board

Minutes of meeting of the HSE Board held on Wednesday 18 September 2002, Rose Court.

Present

Sandra Caldwell
Paul Davies
Adrian Ellis
Robert Humm
Peter Graham
Richard Hillier
Justin McCracken
Nick Starling
Kate Timms
Timothy Walker
Laurence Williams
Sian Lewis

Also attending

Item 3 – HMT PSA plus team
Item 4 – Gordon MacDonald
Steve Woolley
Project leaders
Item 6 - Jane Willis
Colleen Bowen
Pat Williams
Item 7 - Jane Willis
Jane Solomon

Mark Dempsey - Secretariat
Linda Varney (Item 3)
Linda Derrick (Item 3)
Apologies - Richard Clifton

1 Minutes of the HSE Board meetings held on 3, 17 and 31 July and 24 August), and matters arising

1.1 The minutes were agreed, including open government status.

2 Health and Safety. Statistical report by Justin McCracken

2.1 Performance charts had been circulated. Justin McCracken explained that targets were included and that steady progress had been made on incident reduction given that reporting levels had improved. There had been three RIDDOR reportable incidents, of which one had involved a slip on a wet surface leading to a fall and severe bruising. This was an example of an avoidable incident that should be used to reinforce the need for vigilance by staff.

2.2 Incidences of ill health were increasing, including stress. The Board agreed to arrange events on stress during European Health and Safety Week. The following points were raised in discussion:

- a An article for Express to illustrate the work in the European Week would be useful, and needed to include case studies.
- b The Disability Discrimination Act could apply in cases of long term sickness. The Board would find it helpful to have data on

numbers of people on long term sick leave, and on progress towards achieving targets for absenteeism.

- c It was noted that DWP was seeking to become an exemplar on health and safety issues and that HSE could offer support.
- d The first management standard on stress being developed by HD would deal with workload management.

Action: Justin McCracken to commission an article for Express to coincide with European Health and Safety Week.

Action: Richard Hillier to provide data on long term sickness absence and absenteeism.

Action: Directors to organise events on stress to coincide with the European Week, and identify those who may be at risk.

3 PSA Plus Presentation

3.1 Members of the PSA Plus team, including from HM Treasury, gave a presentation on their work with HSE to identify obstacles to the delivery of the Revitalising targets. Key points raised included:

- a the commitment of HSE staff to HSE's mission and recognition of the need to change.
- b the need for clearer accountability for delivery of priorities.
- c the need for clearer links between decisions, plans and follow up action and the need to allocate resources more clearly to the achievement of objectives.
- d difficulties in achieving "horizontal" objectives.
- e the need for engagement of the whole organisation and whether the change programme was likely to deliver the radical transformation needed.

3.2 The following points were made in discussion:

- a The time needed to recruit and train inspectors led to inflexibilities. In depth skills were not easily transferable as priorities changed. Contracting out these skills might offer the kind of flexibility envisaged in the presentation, but would have other damaging effects.
- b Resources had been moved to deal with priority programmes, but programme managers usually had other responsibilities. The need to react to incidents, deliver on priorities such as nuclear and railways, and to deliver a wide range of complex objectives had not been fully recognised by the PSA Plus team.
- c Management styles had not been covered, and were important to the change process.
- d Stakeholder engagement was central to achieving targets, and there was a view that HSE was slow to react to changing labour market conditions. External communications sometimes did little more than seek to convert others to HSE's mindset. A clearer vision was needed on who the stakeholders are and why they should react and change
- e a greater degree of external challenge was needed. This might come from HSC, DWP or consultants. HSC was well placed to take on the function, given its role in formulating the strategic plan, but the issue needed further discussion.

- 3.3 Summing up the discussion, Timothy Walker thanked the team for their support. He noted that the change programme may need to go faster and further to meet the PSA Plus team's observations. It was clear that people were willing to take on the challenge, and that HSE had the right skills but not necessarily in the right quantities. Issues relating to accountability, resource allocation and evaluation would be considered as the change programme progressed.
- 4 Change Programme: Approving Next Steps (B/02/039). Paper by Gordon MacDonald. Presented by Gordon MacDonald, Steve Woolley and project team leaders.**
- 4.1 Gordon MacDonald introduced the paper. A key feature of the emerging shape of the proposals from the change programme aimed to eliminate the divisions between "health" and "safety", and policy and operational work. Decisions were needed on the proposals from the strategy, intelligence, policy and operations policy projects before they moved to detailed design and implementation. Some decisions and steers were also needed on other projects and developments such as the role of Chief Scientist, work on a communications, handling staff moves, the scope of project C, and proposals for taking forward the work on behaviours.
- 4.2 Strategy Unit. Gordon MacDonald reported that there was a broad consensus on the role and functions of the unit. It would focus on strategic support to the Board, facilitating and steering strategic work across HSE, and needed to be closely linked to the intelligence function. It was proposed that the strategy and intelligence functions would be carried out by two closely-aligned units within a single division, headed by a Band 0, and that the key appointments should be made so that the postholders could influence implementation.
- 4.3 Intelligence hub. This would focus on strategic intelligence issues, including societal, political and marketing issues. It would manage and co-ordinate HSE's intelligence gathering to inform decision making and the selection of priorities. A steering board would coordinate intelligence work across HSE. Paul Davies to consider further.
- 4.4 Core Policy. Brian Etheridge explained that the proposals represented a significant change. There would be greater emphasis on horizontal programme management to align policy with the strategic plan. There would be clearer links between core and operational policy functions and a stronger focus on project management.
- 4.5 Operational policy. Phil Scott described four elements to the development of the operational policy capacity:
- i) ways of working that were more "joined up" and consistent;
 - ii) portfolio working and learning by doing;
 - iii) finding quick wins for corporate activities;
 - iv) mapping operational policy to identify gaps and test against the corporate governance framework.
- 4.6 Sarah Jones summarised progress on Project G on behaviours. A culture map had been developed to identify changes needed to embed HSE's values and supporting behaviours. Links with the new performance management system being piloted had already been

made. The Board was asked to agree a pilot corporate learning programme to involve staff in their own teams in developing behaviours and ways of working to support their work.

4.7

The following points were raised in discussion:

- a A dedicated Chief Scientist post was needed, and it would add considerable value to HSE's work by ensuring maximum alignment between our specialist technical resources our future business needs, as well as meeting wider Whitehall needs. It made sense to bring together aspects of analytical support reporting to the Chief Scientist, but clarity was needed on his or her relationship to specialists in other parts of the organisation. Project D in the Change Programme would develop further detail on the role and its relationships with Directorates. A more modern title should be chosen. Paul Davies had agreed to take on the role.
- b Work to implement the strategy unit and intelligence hub should be taken forward. There were some issues about the size of the intelligence unit and the relationships between the two functions. Arrangements for getting senior staff into posts should be made as soon as possible.
- c Staff moves needed to be handled with a clear, fair and quick process as the new organisation is set up. The Board signed up to principles for the process which included minimum bureaucracy, openness and transparency, no redundancies and seeking agreement with the Trades Unions.
- d Project and programme work. The outline proposals were accepted. Proposals for the Programmes and Projects Unit should be presented to the Board on 6 November and include consideration of the 'programme office' function, including the Unit monitoring the progress of major programmes and projects covered by the Delivery Plan. Links were noted to work being carried out by BEU/REFIT to enhance HSE's capability to manage IT enabled business change projects.
- e On core business and operational policy, the proposals were accepted in principle. Since they were radical there was a need to flesh out the model with examples to show how vertical and horizontal issues would be managed with a fully populated model and traditional organogram to the Board meeting on 6 November. These changes needed to be communicated in ways that staff would be able to understand. The control and management of resources would be a key issue.
- f Behaviours. The Board was prepared in principle to commit resources to pilot projects with a FOD office and SPD. Modernising Government funds might be available to support this but resource issues needed to be considered for the pilots and any subsequent roll out.
- g It was crucial that these decisions and the progress that was being made were communicated to staff as soon as possible to ensure that momentum was maintained and that staff were actively engaged in the process.

Agreed: That the strategy and intelligence unit should be established, taking into account the points made in discussion and that senior staff should be recruited during the implementation phase subject to the points raised above. The new Band 0 would need to come back with proposals on working with DWP for early visible quick wins from this team.
That work on the reorganisation of policy activity should proceed based on project and programme working and that the scope of the project to set up a Programme and Project Unit should be expanded to include monitoring delivery.
That a dedicated Chief Scientist post should be created with Board membership and that Paul Davies had accepted the post.
That the principles for post filling should be based on fairness and transparency, but be unbureaucratic.
That pilots for the behaviours should be run with a FOD office and SPD.
That the model for core work should be developed for the Board meeting on 6 November.
That these decisions should be communicated as a matter of urgency to staff.

Action: Gordon MacDonald to draft message to all staff.

Action: Paul Davies with Project D to take forward work to define role of the Chief Scientist for 6 November Board

Action: Richard Hillier to arrange recruitment for senior staff for the strategy and intelligence unit. The arrangements for staff migration to be finalised and agreed with TU side as soon as possible.

Action: Brain Etheridge to take forward work to develop the model for core policy and operations.

Action: Sarah Jones to establish behaviour pilots with a FOD office and SPD.

5 Change Programme Communications (B/02/040). Paper by Kate Timms

Kate Timms explained that a communications function did not form part of the programme at present. She proposed that a group should work up proposals for a strategic communications function.

Agreed: That the role and functions of a communications unit should be worked up for 6 November.

Action: Kate Timms to take forward.

6 HSC/E Monthly Finance, Staffing and Output Report (B/02/037). Paper by Chris Chow.

Advisers: Jane Willis, Colleen Bowen, Pat Williams

6.1 The paper followed the discussion on 21 August and reported in month movements and additional pressures. Forecasts indicate that HSE could exceed its spending control limits this year and action was needed now to address this. The Board discussed the options

available to ensure that HSE managed within budget for the remainder of the year (recommendations in paragraph 14 of the previous paper (B/02/036)).

6.2 In discussion, the following points were made:

- a Recruitment to which HSE was committed should go ahead, but new exercises should be suspended. However, there were issues about staffing in HMRI where projected year end levels might be difficult to defend. Recruitment to maintain current levels was proposed.
- b It was important to eliminate double counting and increased payroll forecasts for internal recruitment to be agreed only where a contra entry from the exporting DD is made.
- c A complete bar on Staff Substitutes was not accepted as they were often essential to carrying out the business and ensuring that more expensive inspector resources were not diverted to administrative tasks. But new SS appointments should not be entered into.
- d The importance of achieving income forecasts was reaffirmed.
- e Average spend to date on GAE indicated that there was scope to make reductions. The expectation is that spend should not rise above that for the first half of the year and forecasts should be reduced to reflect this.
- f Four projects were said to be needed to effect business critical changes for the ICC. Two (FOD boundary changes and new Construction Division) had been costed at £34,000 with an ongoing delivery charge of £7k pa and the Board agreed these should go ahead. The others needed to be costed before decisions were made; the unfunded Cullen costs could not be met at this stage; the non-pay reward recognition scheme is not to be included in the forecasts as it is, in any case, still under review. £166k was agreed in support of the Change Programme.

Agreed: That D/Ds should re-forecast non staff related GAE. The aim is to contain expenditure at current levels and that new bids would be required for any costs above these levels.

That there should be no further virement between payroll and staff substitutes over and above that already planned and forecasts are to be amended to reflect this.

Payroll forecasts to be reduced to (i) reflect change of assumptions about internal recruits (ii) aim to hold costs at the level of the first half of the year (excluding costs of new Band 4s in FOD).

Recruitment to RI to be reviewed after the mid year review.

If the above actions do not result in the Board being assured about its capacity to stay within spending limits then further action will be required.

Action: PEFD to seek re-forecasts from D/Ds as above. PEFD to issue a more detailed note to FMs about the detailed application of the Board's decisions.

7 Increases in HSE Fees and Charges 2003/04 (B/02/038). Paper by Jane Willis.

7.1 Jane Willis and Jane Soloman introduced the paper. Increases significantly above inflation were needed to ensure full cost recovery and included costs such as travel for offshore work and staff increases in HMRI. Ministers had been alerted to the size of the increases but had not yet expressed a view. Charging Review Groups were to be consulted in October and HSC would be informed of the proposals at the same time. Last year, the Commission had expressed the view that the chargeout rates should be included in the Regulations.

7.2 The Board noted the need to continue the “catch up” exercise to secure full cost recovery, and that a project had been set up to address the recommendations in the Deloitte and Touche report on the reasonableness of chargeout rates. It was presentationally important to ensure that stakeholders understood how charges were calculated and the differences in HSE’s approach compared with other “charge out” rates.

7.3 It was possible that HSE would come under pressure to phase in the changes, and that industry would challenge the increases on the basis that HSE’s infrastructure was inefficient.

Agreed: That HSE needed to maintain pressure for full cost recovery. That there were difficult presentational issues to address and that the extent of the increase and costs base needed to be carefully explained. Highlighting the project on reasonableness of charging would be an important part of managing the presentational issues.

Action: Justin McCracken to review letters to Charging Review Group members before issue.