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HEALTH AND SAFETY EXECUTIVE**The HSE Board****Progress report on Change programme****A Paper by the Programme Team****Adviser(s): Gordon MacDonald, Steve Woolley,****Cleared by Sandra Caldwell on 24 July 2002****Issue**

1 For the Board in its role as the Change Programme Board: progress with the change Programme.

Timing

2 Routine.

Recommendation

3 The Board is asked to:

- w Note progress and the need to maintain staff resource commitment and momentum on communication, and
 - encourage SCS colleagues to use the SCS conference communiqué to brief staff (paragraphs 5 to 7)
- w Note and comment on the emerging picture of the medium to long term life of the Programme (paragraph 12 &13).
- w Agree the overall Programme timings and the table at Annex A summarising project milestones, including the proposed key report format and dates (paragraphs 14 to 16)

Background

4 The last report to the Board on 19 June (B/02/029) refined the Programme plan by presenting a draft business case and risk register. This has since been finalised and published on the intranet together with the programme plan. As with all such cases, it remains a living document, for revision as necessary.

Progress

Overall Programme progress, resourcing and communication issues

5 Considerable progress has been made since the last report in July:

- w Project teams have been set up
- w Two day team building and briefing workshop held for project managers, facilitated by SKAI. Participants judged it a success
- w All projects whose dependencies allow have held initial meetings
- w All projects have submitted plans to the Programme team, including communication plans. Project work is underway
- w It has been agreed that BEU and CMG will provide support with benefits management
- w BEU will undertake Programme assurance
- w The SCS conference was successful in engaging senior management - a key factor in mitigating key Programme risks relating to leadership and management commitment (nos (i) & (iii) in business case risk register)

6 Continued progress and achievement of the milestones set out at paragraph 14 et. seq. depends on the continued commitment of resource. There has, to date been some unease from D/Ds in committing resource to projects. Despite the process of Director nomination, some team members have not been fully aware of the level of commitment of work time involved. This is being addressed by project managers with Programme team help, but support from the Board and from Board members as project mentors may be necessary from time to time.

7 Communication and staff engagement remains the second key to ensuring rapid progress to fit for purpose solutions with staff commitment to make them work. Projects all now have plans for this. On a programme level, the last report to the Board noted the limited success of the communication briefing exercise in May/June. The Board agreed it was necessary to maintain momentum on communication. This issue was picked up at the July SCS conference and a second briefing exercise based on a communiqué circulated by Peter Graham is now underway, together with plans for staff meetings with the Executive. The PSA Plus team have since emphasised the importance of this area as a critical success factor (see below). We are considering a further communication evaluation exercise towards the end of September.

Benchmarking and ongoing validation (external input/feedback)

8 A series of benchmarking contacts with public and private sector bodies are planned, some as part of the process of developing and implementing individual project outcomes, others by the Programme team to help check and validate our programme methodology and direction. In the meantime, to pursue the latter aim, the Programme team have benchmarked by reference to others with a wide knowledge of change in many organisations. We have taken advantage of HSE's involvement with the PSA plus team, have used the experience of consultants retained by HSE, and had informal discussions with others. The outcome to date has been a degree of reassurance that our overall approach is consistent with established good practice.

9 In addition, the Cabinet Office is conducting an exercise to examine a number of departmental change programmes to see how civil service reform is being delivered, spread good practice and share learning points. HSE was invited and has agreed to take part. The resulting feedback will provide further insight into our approach. The Programme team met the researchers on 26 July. A small number of follow-up interviews will take place during August and a report agreed by early September.

10 PSA Plus have met Board members and the Programme Team and so are aware of HSE's Change Programme and its implications for improved delivery. They have some knowledge of other organisations' approaches to change and were able to advise on key factors for success which they expressed as:

- clear vision and responsibility for its repeated communication;
- strong and visible leadership ("this will happen but we need your help");
- involving and measuring the impact on external stakeholders (they suggested rating views of HSE now and setting targets for improvement);
- identifying and investing new skills development; and
- linking new skills assessment with career progression.
- Managing those who, after coaching and help, find they cannot work in the new environment.

11 If PSA Plus expressed any concerns they were probably the lack of a concise vision as it appears from the paperwork, and a need for greater focus on stakeholders. In meeting them HSE was able to articulate the vision and report on the Radical "confronting reality" research. This reinforced the value of face to face communication of change both to bring the meaning alive and to reassure people that we are adopting a comprehensive approach.

12 Another learning point from benchmarking undertaken so far is that change programmes benefit from being seen as a series of stages. SKAI have summarised these into:

- w Vision (including establishing the business case and scoping the programme)
- w Design (designing the detail of the vision, implementing quick wins, planning for implementation etc).
- w Implementation and embedding the changes (from running any pilots, through to implementing new structures, systems etc and measuring results)

- w Continuous Improvement (including learning from experiences and making adjustments and preparing for the next major change)

13 On this, not untypical, model HSE is currently at the Design stage. An issue for the change team before we report back again in September is to consider how well this type of model applies to HSE, what stages HSE will pass through, when they might be completed and how we recommend they be managed.

Milestones and reports to Board

14 The table at Annex A summarises the critical dependencies between projects in the Programme and sets out the key milestones. On the key early deliverables, the project teams and Programme team are planning for:

- w Set-up work on the new HSE Strategy Unit to begin from the end of September
- w Set-up work on the new Intelligence Hub to begin from the end of September

15 Projects will bring forward recommendations for Board approval at different times. In order to maintain the momentum of the Programme and allow early decisions where possible. It is proposed that the Programme team put these to the Board as and when they are ready, grouping where this is possible. The first recommendations are likely to be for the Strategy Unit and Intelligence Hub and be presented towards the end of September. At the Board's request, recommendation reports will avoid multiple options and concentrate on a single recommendation. It is proposed the following key elements will be covered in reports:

- w Recommendation, including how to implement
- w Benefits
- w Risks
- w Linkages to other areas
- w Process gone through to reach the recommendation

16 In addition to approval of project recommendations, the Programme team propose reporting to the Board at the following points:

- w 18 September - general progress report
- w 6 November: Major report on this stage of the Change Programme and proposals for the way forward

17 The Board is asked to approve these milestones and reporting methods and timings.

Consultation

18 This paper is based on reports from project managers. Sandra Caldwell and the Programme Team met with the Trades Unions on 24 July and are committed to continuing formal and informal contact as appropriate.

Presentation

19 Radical have undertaken a stakeholder study, presented to the SCS conference earlier in July. Preparations for this formally notified key stakeholders that a change Programme is underway. The Programme team will build on this by

- w Commissioning the establishment of a stakeholder perception baseline - possibly based on the Radical report and fieldwork
- w Considering the need at this stage for more stakeholder communication

Costs and Benefits

20 Not applicable to this progress report paper.

Financial/Resource Implications for HSE

21 Not applicable to this progress report paper.

Environmental Implications

22 None

Action

23 The Board is asked to:

- w Note progress and the need to maintain staff resource commitment and momentum on communication, and
 - encourage SCS colleagues to use the SCS conference communiqué to brief staff
- w Note and comment on the emerging picture of the medium to long term life of the Programme
- w Agree the overall Programme timings and the table at Annex A summarising project milestones, including the proposed key report format and dates

ANNEX A

Proj.	Project Outcomes	Dependencies	Milestones		
			Consult'n	to Board	Start Implement'n
A	<p>w A small unit which is effectively facilitating and coordinating strategic thinking across HSE leading to the development of integrated tailored strategies and clear priorities; and, as part of this:</p> <p>w strategic thinking is effectively informed, inter alia, by science & technology through the deployment of the appropriate staff.</p>	No sequence dependencies: Desirable & possible as an early win. Improving strategic capability will have an impact across HSE and lead developments in other areas, but work on other projects can proceed in parallel.	9 Sept 02	Sept 02	October 02
B	<p>w A networked 'intelligence' hub which is gathering robust credible information and is presenting it as intelligence in unbiased and understandable ways to various audiences</p>	No sequence dependencies: Intelligence will be a key ingredient to strategy, policy and operations but work on this capacity can run in parallel with other projects.	28 August 02	Sept 02	October 02
C	<p>w A centre of expertise which is facilitating best practice across HSE, and also undertaking, delivery of projects and programmes</p>	No sequence dependencies. As this project defines a key new way of working it has strong links to A, E1 & E2, and G. It will have implications for project F.	October 02	November 02	December 02 on
D	<p>w Core business is effectively supported by appropriate and suitably deployed science & technology staff</p>	Follows E. can only consider issues of deployment after deciding how policy & operations interact and how each are structured (see E).	July/August/September 02	September/October 02	November 02
E	<p>w Strategy and outcomes are jointly formulated by Policy and Operations with each being clear on the others contribution to delivery</p>	E1 & E2 will contribute			
E1	<p>w We have an operational capacity, linked to policy, strategy etc., which is addressing issues identified in the operational policy review</p>	Precedes D & full implementation of F	September 02	October 02	November 02
E2	<p>w We have a policy capability which is responsive to our developing strategy in a changing world and which integrates health and safety wherever possible</p>	Precedes D & full implementation of F	September 02	October 02	November 02
F	<p>w Corporate functions are more efficiently deployed (re: Corporate Services Review)</p>	In sequence, implementation follows organisational change in E1 & E2, A, B and C, but scoping & planning can start earlier.	Due to dependencies a detailed plan cannot yet be prepared. Scoping begins August 02, summary of emerging issues will be provided by mid September 02.		
G	<p>w We see behaviours and ways of working which reflect HSE's values and are consistently delivering a high trust environment and encouraging engagement to help us deliver our mission in a changing world.</p>	Underpins all other projects. Will take years rather than months to achieve but is critical success factor for whole programme.	September/October 02.	November 02	December 02 on