

<u>DELIVERING THE MISSION</u>					<u>CONTINUOUS IMPROVEMENT</u>				
	Q-3	Q-2	Q-1	Q1		Q-3	Q-2	Q-1	Q1
1) Delivering Planned work	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	8) Leadership	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
2) Delivering PSA1	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	9) Delivering Change	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
3) Delivering PSA 2	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	10) Applying Science & Technology	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
					11) Applying Business Improvements	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<u>MANAGING RESOURCES</u>					<u>REPUTATION</u>				
4) Living within the Budget	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	12) Raising HSE's profile	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
5) Right people, right place, right time	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	13) HSE's Reputation	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
6) Staff motivation/morale	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	14) Stakeholder engagement	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
7) Health and Safety in HSE	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>					

Explanatory Notes on the Application of the Balanced Scorecard

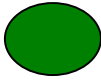
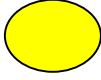
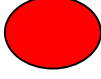
Architecture

The HSE Balanced Scorecard is divided into 4 business areas.

- **Delivering the Mission**
- **Continuous Improvement**
- **Managing Resources**
- **Reputation**

Each of these business areas covers a different aspect of HSE's organisation and will include between 3 and 4 headline indicators giving a picture of progress with HSE's top-level strategic priorities for each Business Area. This will provide the overview the Board needs to be confident that work to deliver top priorities in each Business area is progressing and its strategy as a whole is on track.

There are 14 proposed top-level indicators. Each of these is represented by a single traffic light (showing red, yellow or green) indicating the status of that business area or activity as follows:

	Green: Work on track and clear progress being made towards aims targets
	Yellow: Work is showing some slippage but is recoverable with effort
	Red: Work is showing significant slippage and is only recoverable with major effort

Each indicator would be updated on a quarterly basis and information for the previous three quarters will be provided to give a trend of progress.

Each of these top-level indicators will be supported by a lower level suite of contributory indicators that, when taken together, will give the overall traffic light status for the activity represented at the top level. Readers of the scorecard will have the facility to view the top level scorecard only or may drill down to the contributor indicators to track progress on particular areas or to identify where challenges lie if a headline indicator shows as red or yellow. A narrative on what is to be done to get work back on track would be required for indicators showing red or yellow.

The Business Areas

Delivering the Mission

This will be concerned with how well HSE is delivering its mission to improve health and safety. It will focus on the delivery of planned work, and the delivery of PSA1 and PSA2 (on major hazards).

- Delivery of planned work - this will be built from output measures including the % milestones or OPMs delivered against plans; the % of incidents investigated against the total number meeting criteria etc.
- Delivering PSA1: this will reflect the PSA target to reduce workplace injury; ill health and working days lost and also a measure of improved compliance using the FOD rating index;
- Delivering PSA2: this will reflect what is used to monitor progress with the Major Hazards PSA once agreed;

Managing Resources

This Business area will be concerned with how well HSE is managing its resources (money and people). It will include the following headline indicators:

- Living within the Budget – this will be the key financial indicator; built from forecasts against budget controls and internal budget management (including forecasts for admin costs, programme costs and income);
- Right people, right place, right time – this will be the main staffing indicator reflecting recruitment and retention measures and progress with training initiatives.
- Staff Motivation and Morale – this will be an indicator of staff attitude reflecting the staff attitude survey and other measures of motivation and morale.
- Health and Safety in HSE – This will track HSE's own management of Health and safety for its staff.

Continuous Improvement

This Business Area will be concerned with how well HSE is changing and improving to deliver its mission. It will include top-level indicators on:

- Leadership – this will combine hard and soft indicators to give an indication of how well HSE's managers and in particular senior managers are leading HSE.
- Delivering Change – this will provide a picture on progress with the change programme built from indicators on the delivery of change programme milestones, new ways of working and how well HSE's values are being embedded in the organisation.
- Applying Science and Technology – this will reflect how well HSE is applying S&T to the delivery of its mission, and will be based on measures of how well HSE applies S&T expertise to HSC/E's policy and operations and how well we apply commissioned research to our priorities;
- Applying Business Improvements: This will reflect how Rewarding Innovation and HSE's other business improvement plans are operating. Contributory indicators will include % of D/Ds with business improvement programmes versus % with significant programmes; indices of year on year improvement made by

D/Ds; and ratio of improvements returned to the centre against those realised locally etc.

Reputation

This will provide a picture of how HSE's reputation with external stakeholders is being developed and how well we are engaging others to deliver our mission. It will include top-level indicators on:

- Raising HSE's profile – this will aim to capture HSE's profile with media and in Government. It will be based on our media profile (national and regional) and an index of Ministerial/Governmental profile.
- HSE's reputation – this will aim to track our reputation with the media, with stakeholders and with the public
- Stakeholder engagement – this will track how well we engage with stakeholders to support our work and to work with us or to take the initiative to improve health and safety. Indicators will relate to stakeholder engagement in priority programmes, the numbers of activities generated by/with stakeholders; and the partnership activities pursued with OGDs.

Monitoring and Reporting

The Balanced Scorecard will be reported to the Board on a quarterly basis. Where information is not available this frequently the Scorecard will state this and will carry over the status from the previous quarter. Where there is no indicator identified for an activity, a narrative of progress so far will be presented instead. Overtime we would aim to replace these narrative reports with agreed qualitative or quantitative indicators.