

Offshore Industry Advisory Committee		OIAC/MIN/1/2011	
Meeting date:	17 th March 2011	Open Gov. Status:	Fully open
Type of paper:	Minutes	Paper File ref:	2011/154077
Exemptions:	None		

Minutes of the meeting of the Offshore Industry Advisory Committee held on 17 March 2011 at Lord Cullen House, Aberdeen

Present:-

Chairman Steve Walker HSE, Secretariat Mike Readitt HSE, Jim Neilson HSE, James Munro HSE, Tom McLaren HSE, Fraser Easton HSE, David Snowball HSE, Susan Elston COTA, Adrian Lester BROA, Phil Ley OCA, Jake Molloy RMT, Robert Paterson O&G UK, Glenn White IADC, Dave Nicholls Step Change, John Taylor Unite – TGWU, Mark Robinson Unite (Amicus Section), Pete Thomson MCA.

Presenters:-

Bruce Appleton HSE

1. Introductions

- 1.1 Steve welcomed everyone to the meeting, particularly Pete Thomson from the Maritime & Coastguard Agency, standing in for Neaz Hyder and Paul Wilkins. He also introduced David Snowball, the temporary acting Head of Hazardous Installations Directorate (HID).

Apologies

- 1.2 These were received from Allan Graveson, Nautilus UK, Jane Bugler IMCA, Neaz Hyder MCA, John Arnott DECC, Paul Wilkins MCA, Garry Manett Bureau Veritas and Ian Tasker STUC.

2. Actions from previous meetings

- 2.1 It was agreed action 9.6 (March 2010) be withdrawn, Action 1, Action 2 and Action 7 November 2010 all remain ongoing. All other actions had been cleared.

3. Minutes from the 18th November 2010 meeting

- 3.1 Members approved the minutes and agreed to the proposed changes to Para 8.2 and Para 8.3 as outlined by the Secretary.

4. Policy Update

4.1 The key activities highlighted from Jim Neilson's presentation were:-

- 'AOGBO Variation Order 2011', the new Order had been presented to the Privy Council on 16th March and was to be laid before Parliament on 17th March. It is scheduled to come into force on 6th April.
- European Commission's 'Offshore Communication', an [online consultation](#) was launched on 16th March lasting 8 weeks. The resulting Legislative proposals will be published during the Summer 2011.
- 'Energy and Climate Change Select Committee', published in January 2011 their report on the implications of deepwater drilling in the UK. The report contained 25 conclusions and recommendations, of which 12 related to safety issues.
- 'Offshore Regulatory Review', the Government had given commitment to a further formal review of the UK's Regulatory approaches. The review board has an independent chair and is expected to publish its findings later this year.

5. Deepwater Horizon – Review of the Select Committee findings

5.1 Contained within the Select Committee's report published in January 2011, were 12 conclusions and recommendations that related to HSE's safety remit either as the primary lead or working jointly with the Dept. of Energy and Climate Change (DECC). HSE had identified 5 conclusions / recommendations on which it would like OIAC's views on how they should be taken forward. A paper outlining the 5 issues was circulated to members prior to the meeting. The paper was presented by Steve Walker and Jim Neilson and debated in full.

5.2 The 5 recommendations OIAC members discussed are outlined below, coupled with OIAC's response:-

- i. ***“despite the high regulatory standards in the UK we are concerned that the offshore oil and gas industry is responding to disasters, rather than anticipating worst-case scenarios and planning for high-consequence, low-probability events”.***

5.3 Members were somewhat baffled by this Select Committee recommendation. They considered that the UK safety case regime focused on major hazard events, and following criticism in the KP3 Report there had been a coordinated series of major hazard training across the industry for duty holder management teams. However, members believed the workforce and safety representatives would also benefit from training that was specific to major accident awareness / safety critical elements as identified in a Safety Case. It was agreed Dave Nicholls and Phil Ley would explore the sufficiency of existing training, whether additional training was needed and if so how such training can be developed.

Action 1 March 11:- Dave Nicholls and Phil Ley to consider options and develop proposals for providing major accident awareness / safety critical elements training for safety reps and the workforce. Reporting back at the Oct. 2011 meeting.

- ii. ***“It is imperative that there is someone offshore who has the authority to bring a halt to drilling operations at any time, without recourse to onshore management”***

5.4 Following debate, members acknowledged the clear overall control of OIMs for their installations, and authority for individuals to stop an operation is being promoted more widely within the industry. However, there still remained concerns that individuals with the authority to halt operations will actually use it when necessary.

Action 2 March 11:- Robert Paterson agreed to review the industry processes involved in halting drilling processes and associated communication lines, reporting back at the Oct. 2011 meeting.

- iii. ***“We believe that the Government must ensure that the UK offshore inspection regime could not allow simple failures—such as a battery with insufficient charge—to go unchecked”***

5.5 Members discussed if any more could be done to the existing ‘Verification’ process. It was agreed that the Step Change Verification Group were best placed to consider this.

Action 3 March 11:- Robert Paterson to ask the Step Change Verification Group to consider if there are any ways to make the Verification process more robust and report back at the Oct. 2011 meeting.

- iv. ***“We recommend that the Government should discuss with the industry and unions what further steps are needed to prevent safety representatives from being or feeling intimidated into not reporting a hazard, potential or otherwise”***

5.6 There was full support from members that the work being undertaken by the Workforce Involvement Group (WIG) and through the SI 971 Inspection programme would address these issues. Members also believed the Step Change ‘Just Culture’ process (previously known as ‘No Blame’) may also provide the basis for a generically applicable process to address intimidation.

Action 4 March 11:- Fraser Easton (via WIG) to consider the ‘Just Culture’ process with a view to producing a ‘best practice’ guidance process that would have a more generic application throughout the industry in tackling intimidation and bullying. Report progress at the Oct. 2011 OIAC meeting.

- v. ***“the offshore safety culture is cascaded throughout the supply chain, from existing contractors at all levels, through to new-entrants on to the UK Continental Shelf”***

5.7 Members recognised the 'safety culture' theme is apparent throughout each of the Select committee's findings. It was agreed the existing engagement work being undertaken by WIG and the Workforce Engagement Group (WEG) will continue to address this issue.

6. SI 971 Inspection Programme Update

6.1 Fraser Easton provided a short presentation covering the background, progress, issues and best practice identified arising from the SI 971 programme. He also outlined some of the 'provisional' conclusions that are currently being finalised.

6.2 As this programme constitutes a formal HSE intervention activity, the findings will be presented to OIAC / industry. (NB. Action 1 Nov 2010 remains ongoing – to present to OIAC the recommendations from the Inspection Programme)

7. Operational Update & Health and Safety Statistics Bulletin

7.1 James Munro, standing in for Peter Mills highlighted the following key matters:-

- OSD's enforcement activities in the past 10 months recorded the issue of 43 Improvement Notices (INs) and 3 Prohibition Notices (PNs) across a range of issues.
- 1 high profile prosecution in Aberdeen Sheriff's Court resulted in a fine of £350k. Also, a Direction was issued to revise and resubmit an installation's Safety Case for re-assessment.
- 6 examples were described of where OSD had taken enforcement action to illustrate the types of things that attracted enforcement. These included Verification, Operational Risk Assessments, Temporary Refuge Integrity and external corrosion.
- An example of where duty holders themselves had decided to shutdown operations either as a result of OSD intervention or self initiated without an immediate intervention.
- Changes to the way HSE write letters following an Inspection, a new Info. Sheet on Material Change to Safety Cases and a revised version of SHAM was highlighted.

7.2 The key points from the Interim Health and Safety statistics report were:-

- No fatalities
- Major injuries had decreased by 16.6% during Quarter4, 2010
- Over 3 day injuries in Quarter 4, 2010 fell by 25.8%, compared to Quarter 3
- Provisional estimate for 'major' and 'significant' Hydrocarbon Releases to the end of January 2011 is 63 releases.

8. Noise and hand Arm Vibration Inspection programme

- 8.1 Bruce Appleton a noise and vibration specialist delivered an update to this programme that commenced in 2010, running through to 2013. The programme was initiated in response to the high numbers (1 million) UK workers exposed to dangerous noise levels and 2 million exposed to hand arm vibration risks.
- 8.2 Members heard progress on Inspection activities focusing on compliance that included measures to reduce / eliminate exposure to noise and vibration, improved co-operation and communications between the operator and contractor, and quality health surveillance.
- 8.3 During 2011 / 12 the programme will look at considering enforcement action against poor performers (particularly who have had previous HSE advice), but also encouraging and sharing good practice.

Action 5 March 11:- The Occupational Health Team (Damian Stear and Bruce Appleton) to feedback on progress with the programme's year 2 activities in March 2012.

9. Workforce Involvement Group Activities

Update

- 9.1 The chair of WIG reported on a number of activities and successes achieved, notably the March and November 2010 engagement events, meetings with the Norwegian Safety Forum and local MP Frank Doran. In addition, the vast improvement to the web site and progress with the SI 971 programme.
- 9.2 Looking forward to 2011 the group are planning to hold another two engagement events, more collaborative working with WEG and further offshore visits to promote workforce involvement. Coupled with this, WIG are working on the development of the new training matrix for Safety Representatives and carrying forward the recommendations arising from the SI 971 Inspection programme.

Overlaps between WIG and WEG

- 9.3 It was reported that the chairs of WIG and WEG have, and continue to hold, regular meetings to ensure the two groups complement each other and avoid duplication of efforts. It was recognised the terms of reference for each group was similar, but each had focused activities into different areas of workforce engagement. Over the coming year Fraser Easton reported WEG will be focusing their efforts in delivering the Workforce Engagement Survey Tool. Whilst WIG will continue with face to face interactions gathering evidence on barriers to effective engagement and the recommendations from the SI 971 Programme.
- 9.4 Members were invited to support the continuance of WIG as a formally constituted sub group of OIAC, this was agreed without opposition.

- 9.5 It was agreed that WIG members, Robert Paterson (Oil & Gas UK) is replaced by Bob Lauder (Oil & Gas UK) and Alan Caldwell (IADC) is replaced by Mark Milne (IADC).

10. Helicopter Liaison Group (HLG)

Annual Report

- 10.1 Members had received in advance of the meeting HLG's Annual Report. The Chair of HLG, Tom McLaren, outlined from the paper a number of key activities the group had been taking forward during 2010 / 11, notably:-
- Input to a proposed specification for a self-contained NUI fire-fighting system which addresses all likely, and reasonably foreseeable, fire situations that might be encountered during routine offshore helicopter operations and;
 - Trends of duty holder compliance with CAP437 within HCA's helideck inspection regime.

Overlaps between HLG and other similar helicopter groups

- 10.2 Contained within the HLG's Annual report was a gap / overlap analysis between HLG and other helicopter safety related groups. This identified the terms of reference and objectives of the following groups - Step Change Helicopter Safety Steering Group (HSSG), Aviation Safety Technical Group (ASTG) and the Helicopter Safety Research Management Committee (HSRMC). These were debated at the HLG's meeting held on 2nd Feb 2011. As a result, there was a strong majority in favour of supporting the retention of HLG as a duly constituted sub group of OIAC for 2011/12.
- 10.3 OIAC members supported the recommendation to retain HLG as a sub group and the continuance of its activities during 2011 / 12. However, members also agreed that there needed to be closer and better links between OIAC HLG and HSSG, so considered that Tom McLaren should be the HSE representative on HSSG, to ensure good coordination and communication with these two groups.

Action 6 March 11:- Tom McLaren to become HSE rep on HSSG.

Action 7 March 11:- Tom McLaren to provide OIAC with a report on 2011 / 12 activities at the March 2012 meeting.

11. Any other business

Date and venue for the next meeting

- 11.1 Members agreed the date for the next meeting will be 12th October 2011, to be held at Lord Cullen House, Aberdeen.