

PROJECT HIGHLIGHT REPORT

Report No: 2

Project: Charging Efficiency Project

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Reporting Period: 15 January 2003 - 3 March 2003

Project Status:

Productivity: The project team has almost finished collecting data about frontline processes and overheads. We have now mapped:

- COMAH chargeable processes
- Offshore chargeable processes
- Railways chargeable processes
- NSD chargeable processes
- Charging administration processes

A second round of workshops was held, during which the respective groups discussed present processes and identified improvements where possible, through alternative ways of working or innovative suggestions for change in approach to carrying out regulatory activities.

Meetings have also been held with Finance department with a view to producing spreadsheets to demonstrate example potential impacts of various efficiencies in terms of cost benefits. Information about the constituents of the MTA and the potential to include savings within reduced timescales to be reflected in next year's hourly rates, is still being investigated.

Interface with other projects : Meetings with other project managers have been held or arranged in order to co-ordinate efforts in common areas of interest, in particular work conducted in the COIN and Prosecution Improvement Projects.

Much of the process mapping work carried out under the Charging Efficiency Project will form the basis of the initial phase of the Process Standardisation Project currently being initialised through Operations Policy Division. Charging Efficiency Project team members have been asked to become actively involved in this project.

Overheads: A report by Business Services Division (BSD) of their review of the office accommodation in Lord Cullen House, Aberdeen has been received and is available to the Charging Efficiency Project Board. The report contents will be discussed with staff in the Aberdeen office on Friday 7th March. A number of options for maximising accommodation are explored, including open plan offices, sub-letting surplus office space etc.

In addition, the Charging Efficiency Project has re-examined information relating to the possibility of homeworking from earlier HSE projects and comparisons have been made with information provided by other organisations including the Planning Inspectorate, SEPA, the EA, Food Standards Agency and the Maritime Coastguard Agency. This information is available in the discussion paper 'Alternative ways of Working', prepared for discussion at the Project Board on 4th March 2003 and will be available with other Project Board papers on the Charging Efficiency Bulletin Board.

BSD are to follow up initial contacts made with the Planning Inspectorate through this project, to gaining an insight into how a homeworking pilot project might be constructed within part of HSE.

A number of staffing/location anomalies have been identified through analysis of work patterns, travel and subsistence costs - where staff are frequently required to travel great distances from their base office to where their work is more usually located. This has led to a cost benefit examination of relocation, in consideration of legal restraints and business needs. PD will report back on their findings.

Analysis of information relating to time spent on chargeable and non-chargeable investigations and prosecutions dovetailed with the work leading to the Prosecution Improvement Project, currently managed by Susan MacKenzie. A number of areas in which enhanced support and legal input would be welcomed by the majority of field staff, were identified through the workshops. It was generally acknowledged that greater procedural burdens were being placed on Regulatory Specialists through statutory obligations i.e. CPIA and external guidance i.e. from the Attorney General's Office, and that in the light of the more complicated nature of investigations to include new practices for handling evidence, collecting statements, disclosure, etc the optional (non-mandatory) training available to field staff was not adequate in terms of frequency or content and that specialist support would be useful and would release some Inspector time for other priority work.

Work has also been undertaken as part of the project to explore ways of reducing training costs, especially for inspectors, this includes ways of reducing the time it takes for inspectors to become competent to undertake chargeable work. This is a particular issue for the COMAH regime where it may take 36+ months for a newly recruited regulatory inspector to be deemed sufficiently competent to do chargeable work. The findings on training do not directly impact on the chargeable rates and so are excluded from the issues for discussion at this time but will be included for consideration and information with the outcome documents at the end of the project.

The project to review HSE's corporate functions, with Stephen Williams as Project Manager, has produced a draft report which identifies areas in common with the Charging Efficiency project. Discussions have taken place so that the projects benefit from shared information.

External Comparators: Meetings have been held with the Scottish Environmental Protection Agency (SEPA), the Food Standards Agency (FSA) and the Maritime Coastguard Agency (MCgA). The EA have provided very useful information by way of externally produced (Deloitte & Touche) and internal reports, other organisations have also been very helpful in providing information including the Planning Inspectorate, the Inland Revenue, Police training bodies.

Information was collected regarding charging mechanisms, accounting systems, training, ways of working including homeworking, use of IT, work recording, etc. This information has been included and presented in various discussion documents presented to the Project Board and to be made available on the Project Bulletin Board.

Project Risks: Despite the limited resource available the project is likely to meet its deadlines and produce its final report to the Project and HSE Boards by the beginning of April 2003.

The absence of dependable quantified data with which to determine the savings from alternative approaches remains a significant problem. Where possible best estimates will be used along with sensitivity testing although it has become apparent that data collection across

HSE does not facilitate the calculation of units costing or quantification of potential savings in terms of reduced overheads or enhanced productivity.

The first workshop with NSD was held on 14th February. The process mapping exercises have not yet been completed by the Project Team.