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HEALTH AND SAFETY COMMISSION

Delivering PSA Targets 05/06 - 07/08: Summary performance report: 1st Quarter, 2005-06

A paper by Carole Lomax
 Agreed by Resource and Delivery Group – August 2005

Issue

1. A summary of performance in HSE's Strategic Programmes (SPs) for Quarter 1 2005/06.

Timing

2. Routine.

Recommendation

3. The Commission considers this summary report.

Background

4. Strategic Programme Directors have provided quarterly reports to HSE's Resource and Delivery Group (RDG). This paper reports on Qtr 1 2005/06 (April – June), based on the information from:
 - o two Strategic Delivery Programmes (SDPs): Fit3 and Major Hazards; and
 - o four Strategic Enabling Programmes (STEPs): Local Authorities and HSE Working Together; Business Involvement; Worker Involvement; and Enforcement.

Argument

5. This is the first report on delivery of the new Public Service Agreement (PSA) arising from Spending Review 2004, details of which are at **Annex A**. The PSA targets cover conventional health and safety areas (ill-health, injury and days lost) and precursor incidents in major hazard industries (nuclear, offshore and onshore COMAH sites).
6. An overview of the position on delivery of the PSA target at Quarter 1, 2005-06 is as follows:

	Qtr 1, 05/06
PSA5 Overall Assessment	Amber / Red
Conventional Health & Safety	Amber / Red
3% reduction in Injuries	Amber / Green
6% reduction in work-related ill-health	Amber / Green
9% reduction in days lost	Amber / Red
Major Hazards *	Green
Nuclear	Green
Onshore	Green
Offshore	Green
Enabling Programmes	
Local Authorities / HSE Working Together	Amber / Green
Enforcement	Red
Business Involvement	Green
Worker Involvement	Green

Key:

Green: Good – requires refinement and systematic implementation.

Amber / Green: Mixed – aspect(s) require substantial attention, some good.

Amber / Red: Problematic – requires substantial attention, some aspects need urgent attention

Red: Highly problematic – requires urgent and decisive action.

* Great care should be taken in interpreting short-term performance because statistical uncertainties have to be taken into account.

Overall picture

- Summary performance reports from the two Strategic Delivery Programmes (Fit 3 and Major Hazards) are attached at **Annexes B and C**. All the **major hazard** components are on track towards target, and trajectories are well developed.
- On **Conventional health and safety**, Fit3 is a highly challenging programme, crucially dependent on a wide spectrum of stakeholders for delivery, and in line with the Commission's Strategy requiring significant changes in the way we plan, organise and deliver. We have started strongly on delivery activity in several component programmes. However, some component programmes are not as advanced in their stages of delivery. And urgent work is being undertaken to establish programme baselines against which to measure the impact of our interventions, to commission better/leading indicators and to tackle the target shortfall for the "days lost" target.
- The **Business Involvement** and **Worker Involvement** Enabling Programmes are now better established, and the **Local Authorities and HSE Working Together** (STEP) is proceeding as planned. The **Enforcement** STEP has made substantial progress in identifying its strategic direction and establishing the workstreams to fulfil its vision. The Enforcement Programme has now been fully resourced and local authorities are engaged as equal partners in the design and development of the Programme.

Fit3

10. There are encouraging signs of progress:

- Each performance indicator in the Construction Programme is above trajectory
- There has been good stakeholder buy-in to Workplace Health Direct, including support by Lord Hunt
- Early signs are that the Backs 2005! Campaign has been a success, and has impacted on 7 million people nationally. There will be lessons learnt from this campaign we can apply to future campaigns.

11. But there are some key issues to be addressed:

- the biggest challenge is delivering the days lost target. After contributions from other Fit 3 programmes, the balance of the days lost target is estimated at 2.4m days. At best, by 2007/8 the Public Service Programme can expect to deliver about 35% of this. The programme is looking urgently at options for other work, particularly expanding the Managing Sickness Absence and Return to Work workstreams, in order to meet the shortfall;
- there is still work to do to fully embed programme and project working and to improve communication and coordination of activity across HSE.

Major Hazards

12. The performance of the Nuclear, Offshore and Onshore Chemicals sectors remains encouraging and the indications are that the overall targets in these sectors will be achieved. Further detail is shown at **Annex C**.

Enabling Programmes

13. Good progress has been made in the development of the **Worker Involvement** and **Business Involvement** Programmes and both are now better established. The Worker Involvement Programme Board met for the first time in June and strongly confirmed the importance of some early concrete deliverables for field staff and external stakeholders. The **Worker Involvement** programme is now fully resourced including a secondee from TUC. A Programme Board comprising representatives from CBI, TUC, LACORS, Federation of Small Businesses and HSE Directorates has been established. Very good progress has been made with producing revised workers' web pages to be launched at the TUC in September. The Large Organisations Engagement Project Board has endorsed the broad framework of the project model and agreed the fifteen organisations to be included in the first tranche of the pilot. Good progress has been made in developing the small business intelligence hub.

14. In **Business Involvement** the Corporate Health & Safety Performance Index (CHaSPI) was launched on 20 July 2005; ten Directors' Responsibility case studies have been delivered and a further nine are to be delivered with CHaSPI. Good progress has been made in developing the small business intelligence hub, and on the groundwork for a successful Small Business Trade Association Forum meeting.

15. The **Local Authorities and HSE Working Together** programme is proceeding as planned on the projects identified as delivering the partnership as set out in the Statement of Intent. However, the status has been assigned an “Amber/Green” at this stage because of the difficult challenges ahead – in particular HSE and LAs need to reach a much more explicit agreement about the contribution each will make to achievement of HSC’s objectives by contributing to the Fit3 programme.
16. On the **Enforcement STEP**, significant effort has been devoted to establishing the Programme’s priorities and parameters. Progress is already underway in many of the workstreams. The first substantial priorities (by December 05) will be to: improve the efficiency of HSE's prosecution processes, thus shortening the time it takes to bring those that break the law to account, sharing the lessons from this work with local authorities; and, work with Strategic Delivery Managers to align enforcement appropriately to the FIT3 Programmes. Other priorities (by April 06) are: to develop new operational capability to enable inspectors to deliver enforcement that targets strategic objectives and those that put others at risk for financial gain, e.g., forensic accountancy skills; and, to underpin all of this with an Enforcement Communications Strategy that ensures that dutyholders understand when/why/how enforcement will be taken and that provides a deterrent and multiplier effect from our enforcement efforts.

Rail

17. We reported last year on the measurement problems arising from RSSB changing the basis on which the rail safety risk index was calculated. Pending the transfer to the ORR, and to ensure the industry has a meaningful and challenging target for this year, HSE has provisionally agreed a new target of a 5% improvement year on year, applied retrospectively. Rail targets do not form part of the PSA. Further detail on the background and status of Rail performance indicators is provided at **Annex D**.

Consultation

18. This information is a summary of the key issues contained in SP Director performance reports for Q1 and discussions at RDG on 27 July 2005.

Action

19. PEFD will make any changes requested by the Commission and then produce a summary performance report for submission to the Minister for Work.

Public Service Agreement 5 is:

“By 2008 improve health and safety outcomes in Great Britain through progressive improvement in the control of risks in the workplace.”

We will measure progress against the following targets. These are grouped under the two main areas of HSC/E’s work:

- i. ***Conventional health and safety - Achieve by 2007/08 (against a 2004/05 baseline):***
 - A 3% reduction in the incidence rate of work-related fatal and major injuries;
 - A 6% reduction in the incidence rate of work-related ill health;
 - A 9% reduction in the number of days lost due to injuries and ill health.

- ii. ***Major hazards – Achieve by 2007/08 (against a 2001/02 baseline):***
 - A 7.5% reduction in the number of events reported by licence holders, which HSE’s Nuclear Installations Inspectorate judges as having the potential to challenge a nuclear safety system;
 - A 45% reduction in the number of major and significant hydrocarbon releases in the offshore oil and gas sector;
 - A 15% reduction in the number of relevant RIDDOR reportable dangerous occurrences in the onshore sector.

HSE Resource and Delivery Group

Performance Report for the Fit3 strategic programme Qtr 1, 2005-06

1. Overall status			
Strategic Programme Target	3% reduction in the incidence rate of work-related fatal and major injuries; 6% reduction in the incidence rate of cases of work-related ill health; 9% reduction in the incidence rate of days lost due to work-related injuries and ill health	Current status	Amber/red

♣ Status can be

Green: Good – requires refinement and systematic implementation.

Amber / Green: Mixed – aspect(s) require substantial attention, some good.

Amber/Red: Problematic – requires substantial attention, some aspects need urgent attention

Red: Highly problematic – requires urgent and decisive action.

2. Strategic Programme Director's Assessment (including any decisions required)	
Fit 3 strategic programme	Amber /Red
3% reduction in Injuries	Amber / Green
6% reduction in work-related ill-health	Amber / Green
9% reduction in days lost	Amber / Red
<p>This is a highly challenging programme crucially dependent on a wide spectrum of stakeholders for delivery, and in line with the Commission's Strategy requiring significant changes in the way we plan, organise and deliver. The size of the population we need to influence is much larger than we have attempted before, emphasising the essential role that effective communications will play.</p> <p>We have started strongly on delivery activity in several component programmes eg there has been excellent engagement in key target organisations (the 'Willing 100') in the Stress programme. And the Backs! 2005 has impacted on more than 7million people. There are early indications of successes: on Construction, all measures are performing better than trajectory.</p> <p>However, some component programmes are not as advanced in their stages of delivery. There remains real uncertainty about our ability to deliver as we do not have clear programme baselines against which to measure the impact of our interventions, and in some cases we lack relevant intermediate outcome measures. Our measurement capacity is also incomplete and we are working urgently to commission better/leading indicators.</p> <p>We have continued to develop a strategic programme office as a centre of excellence to overcome cultural challenges and embed programme working within HSE, supported by a consultant previously with OGC. We have established improved arrangements for capturing operational expertise of our delivery partners within FOD and LAs. The programme board meets monthly and a programme science coordinator is overseeing our evaluation strategy. Intervention logic modelling has informed the content of programme plans and helped to identify what changes we need to achieve and by when. Further details are provided in HSC 05/96.</p>	

Probably the biggest challenge is delivering the days lost target. After contributions from other Fit3 programmes, the balance of the days lost target is estimated at 2.4m days. At best, by 2007/8 the Public Service Programme can expect to deliver about 35% of this (ie about 0.9m days). We are looking at options for other work particularly expanding the Managing Sickness Absence and Return to Work workstreams, in order to meet the shortfall. Action on this is required urgently and I am considering how best to address this.

Given the uncertainties around this and other elements of the programme I am giving the whole programme an **amber/red** rating even though we are on track with activity and milestone indicators this quarter.

Current performance

Particular highlights this quarter include:

- *Each performance indicator in the construction programme is above trajectory*
- *There has been good stakeholder buy-in to Workplace Health Direct, including support by Lord Hunt.*
- *The Willing 100 project in the stress programme is going well, with a good take up in industry.*
- *Early signs are that the Backs 2005! Campaign has been a success, and has impacted on 7 million people nationally. There will be lessons learnt from this campaign we can apply to future campaigns.*
- *In Falls from Height, there has been positive feedback on communication on new regulations and good attendance of inspectors at FOD training;*
- *In Workplace Transport, good impact from using local radio to raise awareness among drivers, and good take up of the Freight Transport Association discussion forum and advice line;*
- *In Slips and Trips the project manager for the Autumn campaign has been appointed and external stakeholders are already engaged;*
- *In Noise and Vibration, the vibration regulations have come into force, and the new vibration leaflets have been launched and well received by dutyholders. The noise regulations have been made;*
- *A significant amount of progress has been made in embedding programme management into the disease reduction programme and developing the new project strands.*
- *The Ministerial Task Force has been started up again and has been enthusiastically backed by Lord Hunt.*
- *FOD has appointed senior delivery partners to enable improved engagement and input from FOD into programme design, planning, governance and delivery.*
- *Specifications for Communications/Marketing expertise for the component programmes agreed and recruitment being taken forward with CD.*
- *The governance of Fit3 has been firmed up and the Strategic Programme Board now meets monthly.*

Particular lowlights this quarter include:

- *There are continuing resource issues across the strategic programme. These relate to the time posts remain vacant and insufficient numbers of staff to fill the vacancies now being created as the programmes expand to scale-up activity in many areas. The announcement that London will*

host the 2012 Olympics poses particular challenges for the Construction Division if they are to keep the Construction Programme on track and sustain its current performance.

- The Office of Government Commerce (OGC) has declined to undertake a gateway 2 review for Workplace Health Direct as we have already initiated procurement work. We will pay for an independent health check instead to give assurance to the SRO.
- The tender boards in Workplace Health Direct are behind schedule due to the complexity of the contracting structure of the project.
- The governance arrangements for MSD and stress are not yet complete although work is progressing.
- There are issues regarding the Programme Support Teams (PSTs). In particular communication and coordination between and across the teams needs to be improved. COSAS is addressing this.

3. Trajectory against performance indicators

It is not yet possible to provide a trajectory for the Fit3 programme. In order to achieve this each component programme needs to develop their trajectory. Work is ongoing to resolve this issue in cooperation with CoSAS.

4. Key Milestones

	Status (last Qtr)	Status (this Qtr)
A traffic light assessment of delivery of planned activities and milestones.		
<i>Comments on reasons for red or amber/red assessments and actions to regain lost ground</i>		
Programme Support Teams (PSTs) set up for each of the component programmes to embed CoSAS in Fit3 component programmes.	Green	Green
Set up Fit3 programme board	Green	Green
Agree roles and responsibilities for FOD and Local Authority delivery partners.	Amber/ Green	Green
Update HSC on the Fit3 strategic programme	Green	Green
<i>As above but for the six months following the date of the report</i>		
Roadmap for Fit3 agreed with FOD and Las.	-----	Green
Launch Fit3 intranet site	-----	Green

5. Key Risks

	Description:	L	I	Action taken since last report to manage risk / change status	Status (last Q)	Status (this Q)
1.	Failure to gain delivery partners commitment:	L	H	FOD delivery partners agreed.	-----	Amber

2.	The interventions will take longer than planned to deliver the target reductions.	H	H	ILM development and evaluation work to identify whether our proposed interventions will have sufficient impact.	Red	Red
3.	HSE has the wrong selection of interventions because of lack of impact evaluation evidence	M	H	ILM and COSAS programme support team challenge to programme design and to help determine products	Red	Red
4.	Insufficient delivery skills	M	H	DDG Policy agreed recruitment plans.	Red	Red
5	There may be a lack of coordination /knowledge sharing between programmes	M	H	Appointment of a Strategic Programme Office, a Communications Director and communications partners. These roles should ensure greater coordination of communications, and oversight of programme activity.	Red	Red
Date of most recent review		26/06/05				

Top three to five risks to be reported, typically those posing the most significant imminent threat to delivery of the PSA as a whole or to a specific milestone.

L= Likelihood and I = Impact: Likelihood and Impact can be rated low/medium/high.

Impact

High	PSA target(s) missed Serious damage to relationships with key stakeholders Negative & high profile publicity leading to loss of public confidence in HSE Serious loss of business efficiency Major civil claims against HSE may be made
Medium	Culpable breaches of our legal and regulatory obligations occur Relationships with some stakeholders adversely affected Negative publicity leads to PQs, and negative public / employer comment Some loss of business efficiency
Low	Some negative publicity, though short-lived Loss of some resource but limited value and not enough to undermine delivery of Strategy

MAJOR HAZARDS STRATEGIC PROGRAMME PERFORMANCE REPORT

QUARTER 1, 2005/2006

Introduction

This report shows an historical picture and the performance to date of the major hazard sectors towards PSA targets for quarter 1 of the 2005/2006-programme year. Background information on targets set can also be found in Annex 1.

PART 1 - MAJOR ACCIDENT REDUCTION: Summary table

The table below shows the baseline, targets and actual number of precursor incidents for previous programme years and for the first quarter of the current year. The coloured cells indicate the current status of each sector relative to target and the final column gives the projection for the situation at the end of the current year.

		Historical Outturns			Current Outturns					Current Status re: programme targets Q1 05/06	Projection for position at end of year
Sector	Baseline 01/02	02/03	03/04	04/05	Q1 05/06	Q2 05/06	Q3 05/06	Q4 05/06	Target 05/06		
Nuclear	143	126	110	127	27				136	Green	On target
Offshore	113	85	97	84 83	12*				74	Green	On target
Onshore Chem'ls	179	155	154	126 130	28*				168	Green	On target

Offshore and Onshore figures for previous qtr/year have been adjusted to reflect data refinement after they were first reported.

*Provisional figures

Railway figures appear in Annex D

The usual qualifications apply to this report:

a) The statistical uncertainty associated with the individual data series is described in paper DB/20-07/3 and it is important not to draw too many conclusions from quarterly data. However, there is nothing to suggest, at this stage, that significant problems are likely to arise in the foreseeable future.

b) It is also important to recognise two specific issues: (i) the target does not capture the totality of HSE's work to regulate major hazards, and (ii) a cross-cutting programme of work for the MH sector may well lead to further targeted effort aimed at delivering improved performance in precursor management

Strategic Programme Director's Assessment

2. Strategic Programme Director's Assessment (including any decisions required)

The performance of the Nuclear, Offshore and Onshore Chemicals sectors remains encouraging and the indications are that the overall targets in these sectors will be achieved. While performance in the railway industry has shown progress, the target has been affected by the Rail Safety and Standards Board's decisions to change the basis on which precursor incident performance is measured and to drop the performance target for coming years. A new target has been introduced for 2005/06 - see separate status report at Annex D.

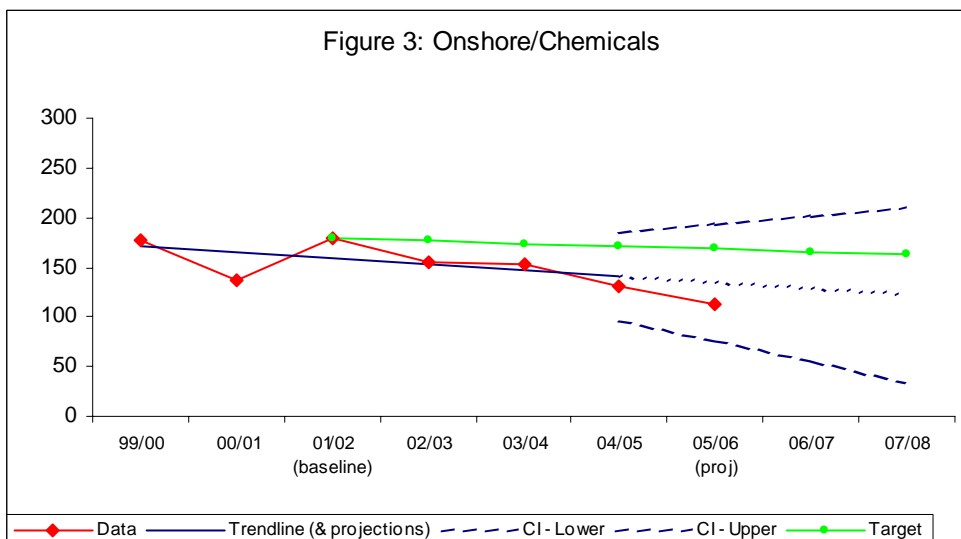
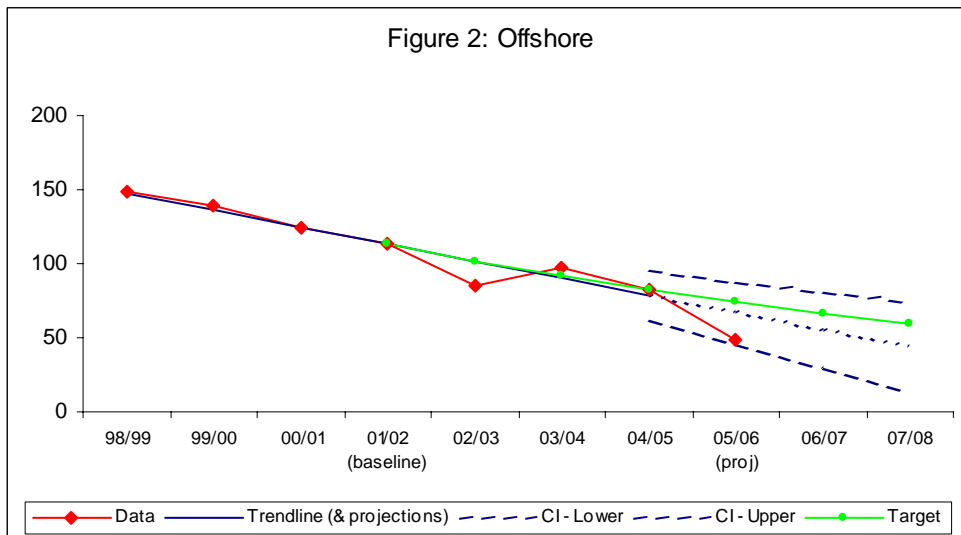
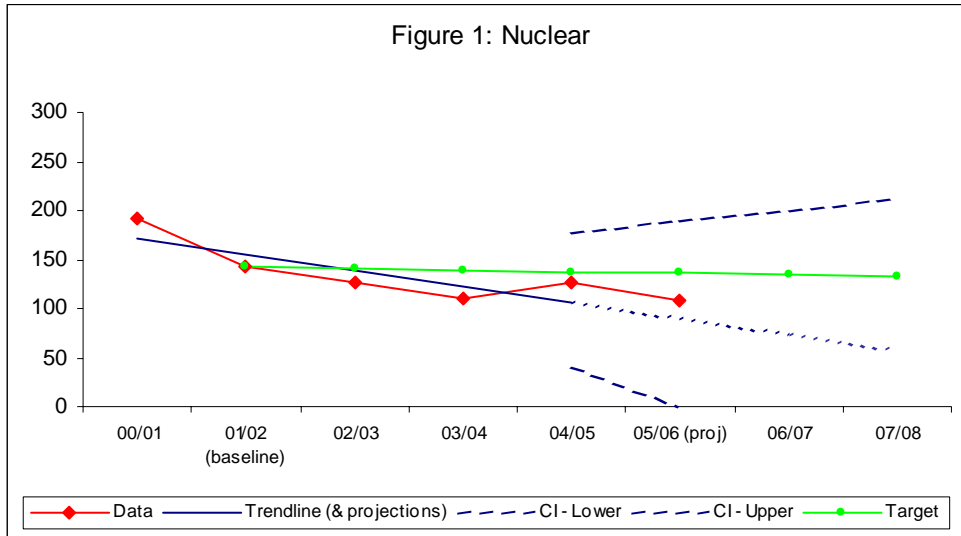
Nuclear: Whilst we are on course to meet the numerical target, one high profile incident occurred during the quarter at Sellafield. This incident, involving the loss of primary containment of dissolver liquor containing Uranyl Nitrate, is still subject to investigation and is expected to impact on other planned intervention programmes. There are several other pressures on these programmes, underlining the need to secure licensees attention to their nuclear safety duties following the advent of the Nuclear Decommissioning Authority.

Onshore Chemicals: The tripartite Chemical and Downstream Oil Industry Forum has agreed to monitor progress with actions arising from a recent jointly organised HSE/TUC/Industry event into raising recognition of health and safety as the cornerstone of a sustainable industry. HSE and CIA have also agreed to jointly launch a step-by-step guide to performance measurement in the autumn.

Rail: The substantial improvements that have been made following the introduction of TPWS (Train Protection and Warning System) now appear to be levelling off. HSE is continuing to work closely with industry on reducing the risks associated with the next priority areas, level crossing misuse and irregular working.

PART 2

2. Trajectory against Strategic Programme performance indicators



Note: (i) each data point on the graph is derived from the average of the previous ones in the current year

PART 3 – MILESTONES (Safety Cases processed to time and quality)

Work is being initiated to develop a broad range of measures to underpin this programme.

OPMA data, i.e. no of safety cases assessed to appropriate standards and timescales is currently showing consistent high levels of performance. (Nuclear =100%, Offshore = 100% Onshore = 100% and Rail = 94.1%)

Status last Year	Status this Qtr
Green	Green
Forecast	
Green	

PART 4 - Key Risks

Likelihood and Impact can be Low (L), Medium (M) or High (H)

Risk:	Likelihood	Impact	Action taken each quarter to manage risk / change status	Status last Q	Status this Q
Lack of Industry Commitment	M	M	<p>Implementation of major changes to the rail industry arising from the Rail Review might reduce the focus on safety of key players. The sale of four gas distribution centres by Transco could adversely affect safety. Early assessment of the new owner's safety cases has been completed and found satisfactory; follow-up in hand to confirm commitments are demonstrated in practice.</p> <p>The tripartite Chemical and Downstream Oil Industry Forum is monitoring the implementation of actions (on HSE and Industry) agreed at a recently held HSE/Industry/TUC workshop aimed at raising recognition of health and safety as the cornerstone of a sustainable industry. Workshop was well received, but it is too early to assess the impact of the actions.</p> <p>The Offshore Asset Integrity programme has secured good industry support through two stakeholder initiatives, Step-change cross-industry Group and the Industry Installations Integrity Work Group.</p> <p>An OEF Sub-Group to the industry Nuclear Safety Director's Forum has been formed with industry representatives from all the major nuclear licensees which include selected MOD sites. NSD representatives from each of NII's divisions participate to ensure that all sectors of the nuclear industry are covered.</p>	Amber	Amber
Lack of data below	M	M	Implementation of the HSE/CIA 'step-by-step' guidance on Process Safety performance	Amber	Amber

Risk:	Likelihood	Impact	Action taken each quarter to manage risk / change status	Status last Q	Status this Q
precursor level may make it difficult to track progress and detect problems sufficiently early to take appropriate action			measures for the chemical industry has been piloted and is due to be launched in the autumn. Still need to track trends over the next year to establish confidence. RSSB have changed the basis on which the Rail Index is calculated. The implications of this are that figures reported now cannot be compared directly with those previously reported – see Annex D. Despite the fact that progress has been made with the onshore chemical industry, the concerns expressed about RI means the risk status remains amber.		
A catastrophic event in one or more sectors could create demands for a major change in approach	L	M	The HSC policy statement on permissioning forms a defensible basis for justifying HSE's overall approach in this sector.	Green	Green
Lack of innovation	M	L	Permissioning process review project completed, benefits realisation in hand. Further work in hand regarding intellectual underpinning to provide a sound evidence base for major hazard work.	Green	Green

BACKGROUND**PART 1 - Major accident reduction**

One of the HSC's Strategic Programme targets is: "A sustained reduction in the occurrence of precursor incidents in key major hazard industries regulated by the Health and Safety Executive over the period of the target 2004 - 2006."

The number of major accidents is very small and can vary significantly from year to year. The effect of actions taken to reduce the number of major accidents is therefore very difficult to assess and other indicators have to be used to assess whether an overall reduction in the number of major accidents is being effected. These other indicators, called precursors, are events, which occur more frequently and could, if not brought under control, lead to a major accident. Precursors have been identified for each of the major hazard sectors as follows:

Sector	Precursor	Baseline – (2001/02)	Target (to end 2005/06)	Target (to end 2007/08)
Nuclear	Based on non-compliance with nuclear operating licences – licensees must make arrangements to report incidents including any which infringe licence conditions	143	136 (5% decrease by 2006)	132 (7.5% reduction)
Offshore	Major and significant hydrocarbon releases	113	74 (10% year-on-year reduction)	60 (10% year-on-year reduction)
Onshore	Relevant RIDDOR reportable dangerous occurrences (e.g. unintentional explosions, failure of pressure systems)	179	168 (6% reduction)	152 (15% reduction)
Railways	See Annex D			

The number of these precursor incidents, which occur each quarter in each sector, is reported and the figures for each quarter of the current year are shown in the table along with the total for the previous year. The current status for the programme is shown by a coloured square, which indicates that:

Green	Current performance is better than target
Amber	Current performance is on, or close to, target
Red	Current performance is below target

The final column of the table gives an indication of whether the target is likely to be met at the end of the programme year.

This part ends with the Strategic Programme Directors assessment of current performance and comments about future trends. Also if any sector is not achieving target this part will include an explanation for the poor performance and indicate steps being taken to get performance back on target.

PART 2 - Trajectory against Strategic Programme performance indicators

The number of these incidents reported each quarter is subjected to a statistical analysis, which identifies the general trend behind the simple figures. Although the number of precursor incidents is larger than the number of major accidents, the figures are still quite low and there is significant variability quarter by quarter. Thus if the number of precursors is plotted on a graph against time then the line though the points will zigzag up and down and if in any quarter the number of precursor incidents is higher than the previous quarter it would not necessarily indicate that the situation was worsening, it could simply be normal variability. The statistical analysis employed is designed to iron out the normal variability and produce a straight line, which shows the overall trend. It is possible to project this line forward to indicate future performance.

The graphs shown in section 2 of this report each has three lines:

Data line: this shows the actual data i.e. the number of precursor incidents – this line will not be straight as explained above

Trend line: this is the line produced by the statistical analysis and will be smooth

Target line: this is the line showing the target set by the HSC for reduction of incidents. The objective is for the trend line to be below the target line indicating that there are fewer incidents than the target would demand.

There are two other lines shown on the graphs. These are the confidence limits for the trend line and are produced as part of the statistical analysis – the narrower the gap between them the more confidence can be placed in the accuracy of the trend line.

The objective is for trend line to be on or below the target line. As the target is moving steadily downwards the trend line should also slope down at same or steeper angle. If the slope of the trend line is less than that of the target then at some point in the future the two will cross and the performance will become unacceptable. If the trend line is above the target line then the sector responsible is required to take steps to reduce the number of precursors. These steps will be detailed in the report, usually in the form of an Appendix. These may not produce an immediate effect on the data but the trend line should start to show a move in the right direction.

PART 3 - Milestones

The HSE balanced scorecard indicator for “Delivering planned work” is used as a measure of on-going activity. Output Performance Measure “A” from the balanced scorecard shows how many safety reports/safety cases have been assessed to the appropriate standards and timescales. Section 3A of this report shows how well each sector performed in this respect. The result is expressed as a traffic light colour and is assigned in accordance with the table below. Section 3B is a forecast of whether this target is likely to be met in the future and is expressed in the same terms.

Sector	Target	Performance indicator
Nuclear	95% completed on time	Green 100% ≥ n ≥ 91% amber 90% ≥ n ≥ 86% red 86%>n
Offshore	100%	Green 100% ≥ n ≥ 95% amber 94% ≥ n ≥ 85% red 85%>n
Onshore	100%	Green 100% ≥ n ≥ 95% amber 94% ≥ n ≥ 85% red 85%>n
Railways	100%	Green 100% ≥ n ≥ 95% amber 94% ≥ n ≥ 85% red 85%>n

Quarterly Performance Report for PSA Performance Indicators - Rail

This paper provides background and status report on Rail performance indicators and revised projections until the end of 2005/06.

Background

1. HSE agreed to measure reduction in the risk from precursor incidents (i.e. those that could lead to a catastrophic events) using RSSB's (Rail Safety and Standards Board) Precursor Indicator Model (PIM), and to mirror the Railway Group target of achieving a 10% year on year improvement. The year 2001/02 was chosen as the baseline and the baseline indicator value set at 100. It was recognized at the time that this target was largely aspirational, but HSE did not want to establish a different target to that used by the industry.
2. Performance of this indicator against the 10% target remained at red for the last 3 quarters of 04/05 and on this basis the industry recognized that the target it set was unrealistic and have since dropped it for future years.
3. During the year 2004/05, two changes were made to the PIM;
 - a. the first as a result of RSSB and Network Rail recognising they used different precursor models and agreeing to use a new merged model; and
 - b. the recalibration of the PIM to account for updated information on track miles.

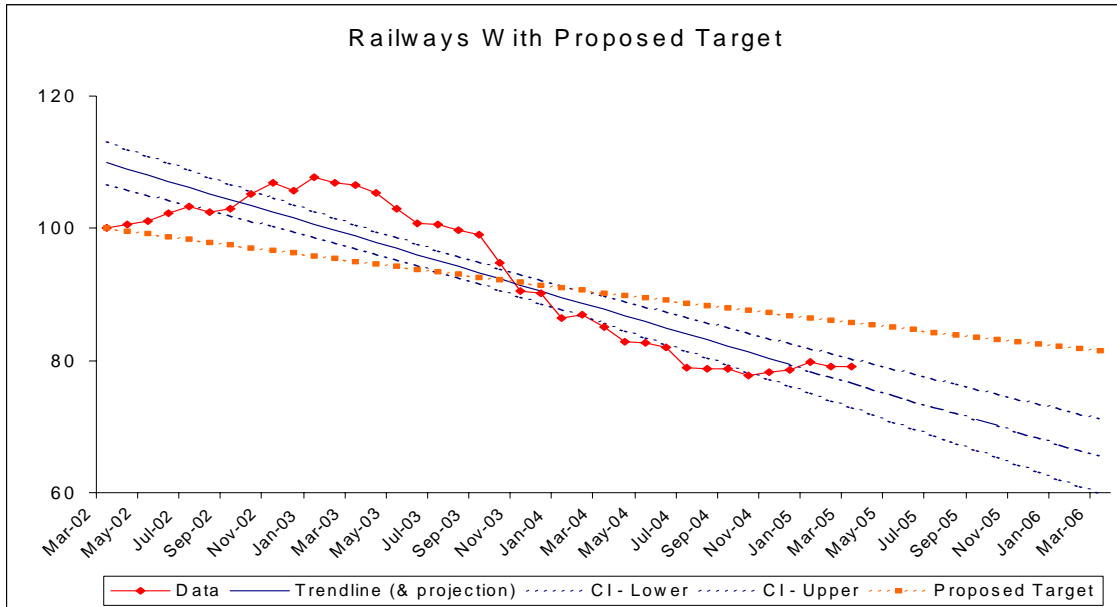
These changes mean that figures quoted now cannot be compared with those previously reported

Current Position:

4. In response to industry's dropping of the 10% year on year improvement target, HSE has agreed a new target of a 5% improvement year on year, applied retrospectively. RSSB and Network Rail consider this to be a reasonable target whilst remaining challenging for the future.
5. In summary, the performance measurements for the rail sector will be reported as follows:

Precursor	Baseline – (2001/02)	Target (to end 2005/06)	Target (to end 2007/08)
RSSB's Precursor Indicator Model (PIM); made up of 26 groups of recorded events that could lead to a catastrophic event	PIM index value of 100	82 (based on a 5% y-o- y reduction)	The target for 06/07 and beyond will be taken forward in conjunction with ORR.

6 The latest indicator value reported for March 2005 is 79.1 (RSSB report one quarter in arrears). The position regarding the rail sector's past performance, calculated retrospectively using the current RSSB indicator model, and current performance trends are best displayed as follows;



7. Future quarterly performance will be reported against the above target using the current RSSB indicator model (PIM). As a result of RSSB's data procedures, performance data will continue to be reported one quarter in arrears.