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## HEALTH AND SAFETY COMMISSION

### Delivering PSA Targets 05/06 - 07/08: Summary performance report: 2<sup>nd</sup> quarter 2005-06

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 Agreed by Resource and Delivery Group 21 November 2005

#### Issue

1. A summary of performance in HSE's Strategic Programmes (SPs) for Quarter 2 2005/06.

#### Timing

2. Routine.

#### Recommendation

3. The Commission notes the latest forecast for delivery and planned action.

#### Background

4. This paper contains a summary of the position for Qtr 2 2005/06 (July – September) based on the information from the two Strategic Delivery Programmes (SDPs):

- **Fit3 and Major Hazards;** and

the four Strategic Enabling Programmes (STEPs):

- **Local Authorities and HSE Working Together, Business Involvement; Worker involvement and Enforcement.**

5 The baseline figures (2004/05) for the conventional health and safety element have now been published (8 November 2005). We plan to carry out an analysis of the impact on our plans for delivery. Paper HSC/05/127: *Implications of the 2004-05 statistics* – also to be presented at the 6 December meeting - will feed in to this analysis.

#### Where we are

6 An overview of the position on delivery of the PSA target at Quarter 2 2005/06 is contained in the following table:

	2005/06	
	Qtr 1	Qtr 2
<b>PSA 5 Overall Assessment</b>	Amber /Red	Amber//Red
<b>Conventional Health &amp; Safety</b>	Amber /Red	Amber/Red
3% reduction in injuries	Amber /Green	Amber/Green
6% reduction in work-related ill-health	Amber /Green	Amber/Green
9% reduction in days lost	Amber / Red	Amber/Red
<b>Major Hazards</b>	Green	Green
Nuclear	Green	Green
Onshore	Green	Green
Offshore	Green	Green
<b>Enabling Programmes</b>		
Local Authorities/HSE Working Together	Amber/Green	Amber/Red
Enforcement	Red	Amber/Red
Business Involvement	Amber/Green	Green
Worker Involvement	Green	Amber/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.

7 Assessments by Strategic Programme Directors of the two Strategic Delivery Programmes are attached at Annexes 1 (Fit3) and 2 (Major Hazard Industries). It is important to note that these were made prior to sight of the annual statistics and the assessment of progress on the SR2000 targets (also mid-point ‘Revitalising’ targets). We will need time to analyse fully the impact of this information and will provide further advice on this. However, our initial thoughts are that:

- there are encouraging signs that the shift in activity signaled by the Commission Strategy is producing results, notably on the health and days lost targets;
- the evidence suggests that **incidence of work-related ill-health** has fallen for most major categories. For **days lost due to work-related ill health** there was a statistically significant fall between 2001/02 and 2004/05;
- the lack of progress overall on the **fatal and major injuries** incidence target is disappointing, but it is important to recognise that RIDDOR-reported injury<sup>1</sup> rates overall have fallen by 12% over the 5 year period 1999/2000 to 2004/2005 (over-3-day injury rates have fallen by 15% over the same period);

<sup>1</sup> (i) Major injuries (specified serious injuries to workers, including fractures, amputations and other injuries leading to resuscitation or 24 hour admittance to hospital); and  
(ii) Over-3-day injuries (other injuries to workers that lead to absence from work, or inability to do their normal job, for over three days).

- One particularly encouraging result is that HSE's **Construction Programme** (which has been operating in one form or another for much longer than other Fit3 Programmes) has clearly been successful; the rate of reported fatal and major injury and over-3-day injury has reduced by 24% between 1999/2000 and 2004/05. This is our most mature programme. We believe that this provides strong evidence that where we focus on a well-defined problem area, put in the right resource, get industry-wide sign up to what needs to be done and sustain effort over a period, we do get results;
- The results give us greater confidence about our understanding of the challenges faced by the Strategic Programmes, and the crafting of the intervention strategies;
- overall, we might conclude that we are on the right track but we are still facing an uphill task.

8 At the same time the results in the services sector (business, finance, retail, hotel & catering-predominantly LA regulated) are disappointing with increases in the rate of fatal and major injuries overall of 18% between 1999/2000 and 2004/05.

### **What we need to do**

9 The scale of the challenge remains considerable. Despite the good progress shown by the recent statistics we must remain concerned at the failure to meet the revitalising mid-point target on major injuries incidence. We also have evidence from work analysing the scale and nature of interventions required (i.e. 'intervention logic models' - ILMs) that we cannot expect to hit the SR04 PSA5 targets without a considerable scaling up of our efforts. This evidence is now underpinned for the first time by real outcome evidence, which serves to reinforce our confidence in the programmes and also our understanding of the magnitude of the tasks ahead.

10 We remain convinced that we need to continue to complement traditional compliance mechanisms by developing new interventions. This will require new skills in HSE and in Local Authorities.

11 We need to re-examine our plans in the light of the recent statistical evidence.

12 For **conventional health and safety targets**, we need to:

- keep focused on developing and delivering the Fit3 Strategic Delivery Programme; and
- continue our work with local authorities. In the **Local Authorities/HSE Working Together Strategic Enabling Programme (STEP)**, project milestones have been met and progress is as expected. However, a key challenge is to lever improved performance on the ground by LAs so that they are able to play their part in contributing to the delivery of the PSA targets.

13 Trajectories show we are currently on track to deliver the major hazards' targets and good performance is reported in all three components. Progress has been made in instilling programme-working behaviours. However, loss of experienced resources has been identified as a risk to a continued downward trend in the indicators. Recruitment campaigns are under way for offshore, onshore and nuclear, but it will take some time for new recruits to become fully effective.

14 In the **Worker Involvement STEP**, plans have largely been delivered. However, there are challenges ahead including the possibility of trades unions pressing hard for extensions of safety representatives' rights. The **Business Involvement STEP** has made good progress overall, with the leading indicator (the level of awareness of external stakeholders on the small business side) showing a positive trend. The *Corporate Health and Safety Performance Index (CHaSPI)*<sup>2</sup> was successfully launched although it is essential to remain realistic about what it can deliver. But challenges remain including determining whether current arrangements with respect to responsibilities on directors in relation to health and safety at work are appropriately balanced and, if not, what changes should be made. The **Enforcement STEP**, the youngest, continues work towards its two key priorities – improving the efficiency of enforcement and securing better alignment of proactive enforcement activities with the Fit3 Programme. HSE is seeking to forge strong links with local authority contacts to ensure wider and sustainable LA involvement.

## Rail

15 Rail targets do not form part of the PSA, but until responsibility for the rail sector is transferred to the Office of the Rail Regulator, HSE will monitor the sector's "Precursor Indicator Model" target, now revised to a more realistic 5% year on year improvement. Delivery is assessed as "Green": details can be found in the report at Annex 2.

## Consultation

16 This information is a summary of the key issues contained in SP Director performance reports for Q2 and discussions at the RDG.

## Action

17 The Commission is asked to note this report. Timescales and events did not allow Q2 performance report to be discussed by the Commission prior to its submission to Lord Hunt. The Chair and the Executive, however, will be discussing the implications of the statistics with Lord Hunt shortly.

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<sup>2</sup> CHaSPI is an Internet based, self-assessment tool developed to promote greater corporate responsibility and accountability for health and safety across private, public and voluntary sectors. It is specifically designed for use by organisations employing over 250 people.

## Performance Report for Fit3: Qtr 2: 2005-06

1. Overall status			
<b>Strategic Programme Target</b>	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	<b>Current status ♣</b>	<b>Amber/ Red</b>

♣ 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)		
<u>Fit3 Strategic Programme</u>	<b>Amber /Red</b>	
3% reduction in Injuries	<b>Amber / Green</b>	
6% reduction in work-related ill-health	<b>Amber / Green</b>	
9% reduction in days lost	<b>Amber / Red</b>	
<p><i>In this second quarter good progress has been made to develop the Fit3 programme and the component programme plans for 2006/07 and beyond. A large number of key activity milestones have been met, summarised below, and we are starting to see tangible progress towards delivery in some areas.</i></p> <p><i>I was particularly pleased with the outcome of the joint FOD/LA/programme planning conference held in September. Programme teams worked with their delivery partners in FOD and LAs to testing deadlines over the summer period to define their proposed projects stemming from intervention logic modelling. These proposals have been discussed and a Fit3 project portfolio agreed in good time this year to meet the requirements of delivery partner's planning cycles, particularly in LAs. This has enabled the programme office to populate the Fit3 roadmap. The planning event itself was characterised by a constructive atmosphere, with staff working across directorate boundaries and demonstrating a real commitment to make Fit3 work.</i></p> <p><i>Programme teams are now working with delivery partners in FOD and LAs to develop the delivery plans and instructions required by operational staff.</i></p> <p><i>On delivery outcomes, there have been encouraging early indications on the audience penetration of Backs! 2005 and there has been good stakeholder buy-in to the slips &amp; trips Watch Your Step campaign that commenced on 3 October, assisted by the earlier warning that this was coming. ILM work identified the critical importance of national publicity campaign work as a delivery mechanism to both raise awareness and move people to change their behaviour if we are to achieve our targets. Both FOD and LAs marshalled and delivered a huge effort in support of the backs campaign, and we now need to examine our evaluation data to distinguish between the impact of communications activity and operational work to achieve behaviour change. Programmes are already applying the lessons learned from Backs! 2005 evaluation to improve planning for the future falls and Backs! 2006 campaigns.</i></p> <p><i>Good progress has been made on the wider Fit3 evaluation strategy, and survey data to allow</i></p>		

performance measurement should be available from next quarter. This will be supplemented by the publication of the annual statistics in November, which provide the Fit3 baseline.

Overall, our ability to deliver the days lost target in particular continues to be of concern. We are seeking to inject additional resource into the programmes to take forward the Health, Work and Well Being strategy through managing sickness absence and return to work workstreams.

Also, intervention logic modelling has identified the need for significant additional staff both within programme teams and FOD to ensure delivery on the scale required to meet the targets. Obtaining these staff in the timescales required will present a major challenge.

For these reasons my overall assessment of the ability of the programme to deliver the targets remains amber/red.

### **Current Performance**

#### **Delivery highlights this quarter include:**

- The stress programme has secured commitment from a significant proportion of the original 'Willing 100', activity milestones have been met and preparations for the next phase of the programme are going to plan.
- The construction SHAD attendance continues above profile, and the number of people signing up to the 'Respect for people' Code of Practice is significantly above profile.
- The DRP SHAD on controlling exposure to isocyanates (occupational asthma) in the vehicle paint-spraying sector achieved initial feedback showing 90% of attendees left with the intention to improve workplace control measures, and evaluation showing that 50% of businesses had actually made improvements 5 months after the event.

There have been a number of examples of successful stakeholder engagement in the injury reduction programme including:

- Early indications are that the campaign targeting slips and trips is being received well with very good external stakeholder buy-in;
- Orders for new ladder guidance in advance of next years' falls campaign have been at high levels;
- There was very positive stakeholder feedback from the first workshop to consult on the workplace transport management standards; and
- Roadshows in partnership with EEF supporting the IOSH 'Sound Off' event have commenced have used innovative communication with actors.

#### **Enabling and planning highlights this quarter include:**

- Communications managers have been recruited to each of the programmes.
- The Workplace Health Direct programme has achieved 35% national coverage through the agreed Pathfinders and a new marketing name has now been agreed.
- Evaluation of the successes of Backs! 2005 is helping to inform preparation of the next backs campaign, which are progressing well. There was a huge contribution by the field, 32% of visits within construction.
- In Public Services, the Ministerial Task force has agreed a major communications exercise in the form of public sector summits.
- Public services stakeholder engagement is proceeding to plan, although the plans for engagement with LAs have proved over-ambitious and there is a need to re-target.
- Also in PSP, the programme has been successful in getting government leading by example into the HWWB initiative, although there are real challenges in being able to find sufficient resource to take this forward.
- Danny Carrigan launched the construction programme's new tool on worker engagement, along with the WWT autumn roadshow.
- DRP are continue to try innovative ways to influence their target audience and maximise impact, and notably gained the support of two high profile hairdressers to

act as role models for the control of skin disease in hairdressing

**Issues to be addressed include:**

- There has been a downturn in the RCI activity data and other project contributions from the field for the Injury Reduction Programme, in some cases less than 20% of planned visits having been made. Delivery for DRP this quarter registered at only 60% of the forecast target
- Although Backs 2005 was a success the subsequent statistical reports have served to highlight the task ahead. Follow up work by the field will help to evaluate whether there has been a shift to behaviour change.
- Although the stress plan was just on track, it is an extremely ambitious timetable to deliver the necessary requirements which may prove too testing for both FOD and the organisations involved. There are also difficulties in attracting staff to fill vacancies in the programme team.
- In PSP, although there has been good strategic engagement with stakeholders, the next round of reorganisation within the NHS will make progress on the ground more difficult.
- Staff resource shortages across the programme are limiting delivery capacity.

**3. Trajectory against performance indicators**

It is not yet possible to provide a trajectory for the Fit3 programme until each of the component programmes has developed trajectories. Work is ongoing to resolve this issue in cooperation with HSE's Corporate Science and Analytical Services Directorate (CoSAS).

However, we will have annual statistics published in November at the mid-point of revitalising and the Fit3 surveys will start to provide measures against the ILM identified initial and intermediate outcomes (precursor indicators). In addition, CoSAS has developed a predictive tool using invalidated statistical data for injury incidence that indicates a small but significant incidence reduction in quarters 3 and 4.

**4. Key Milestones**

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>	Status (last Qtr)	Status (this Qtr)
Definition and agreement of the Fit3 portfolio of projects at the joint Programme / FOD/ LA planning event	Green	Green
Communications managers appointed to programme teams	Green	Green
Current version Fit3 Roadmap populated and agreed with FOD	-----	Green
Fit3 omnibus survey question sets and pilot agreed	-----	Green
As above but for the six months following the date of the report		
Development of outline Business Group Delivery Plans by December 2005	Green	Green
Update HSC on the Fit3 strategic programme and Roadmap	Green	Green
Launch of the full Fit3 intranet site	Green	Green
First performance information from Fit3 surveys received	Green	Green
Scope of LA contributions to Fit3 agreed with LAs at LACORS Policy Forum and HELA	Green	Green
Pilot of portfolio management software	Green	Green

5. Key Risks						
	Description:	L	I	Action taken since last report to manage risk / change status	Status (last Q)	Status (this Q)
1.	Insufficient staff resources in Policy Group to manage projects. This is a new risk, which was escalated to RDG in September. RDG agreed to additional funding.	H	H	Directors prioritising all posts and sharing lists. Working Group established to agree priority filling of current B2 vacancies. B3 vacancies to be covered by agency staff.		Red
2.	Do not have post-filling succession planning in place. This is a new risk. Possible impact on key vacancies caused by promotion panels.	H	H	Each component programme charged with drawing up succession plans by the end of November.		Red
3.	Business Preparedness. This is a new risk. HSE currently secures compliance in a variety of ways. In order to achieve our Fit3 targets, and to meet expectations and uphold our reputation in the modern world, HSE needs to go beyond compliance. We need to support our clients in a user friendly way. This constitutes a major change for the organisation.	M	H	There is a need to investigate the potential to use alternative delivery agents and/or re-skill FOD/LAs.		Red

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

<b>High</b>	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
<b>Medium</b>	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
<b>Low</b>	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 for Qtr 2, 2005-06**

<b>1. Overall status Strategic Programme Target</b>		<b>Current Status ♣</b>
<b>Onshore</b>	Number of Dangerous Occurrences at COMAH sites to end 2 <sup>nd</sup> Qtr is <b>60</b> (Mid-year Target 84)	Green
<b>Offshore</b>	Total number of major and significant hydrocarbon releases to end 2 <sup>nd</sup> Qtr is <b>32</b> (Mid-year Target 37)	Green
<b>Nuclear</b>	Number of events which are judged to have the potential to challenge a nuclear safety system to end 2 <sup>nd</sup> Qtr is <b>59</b> (Mid-year Target 68)	Green
<b>Rail</b>	Based on RSSB Precursor Indicator Model (PIM) (Performance 1 <sup>st</sup> Qtr) <b>77.5</b> (1 <sup>st</sup> Qtr Target 84.6 – Rail report one Qtr in arrears)	Green

♣ 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)**

**PSA 2 Target:** The indicators are that all sectors are on course to meet their targets but significant risks remain both in achieving the continued downwards trend and in HSE reputational issues.

**Amber Risk:** Loss of Experienced Resources – significant in at least two sectors, discussions held with Executive and work with RPD in-hand.

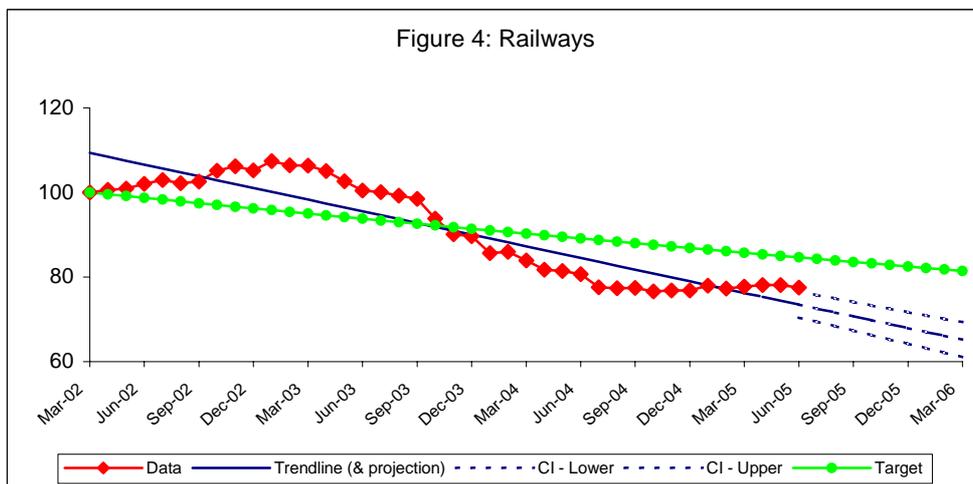
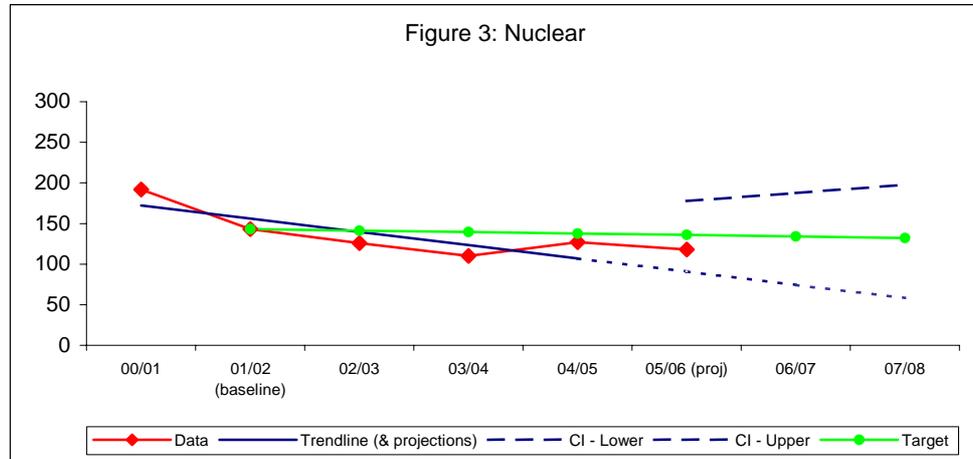
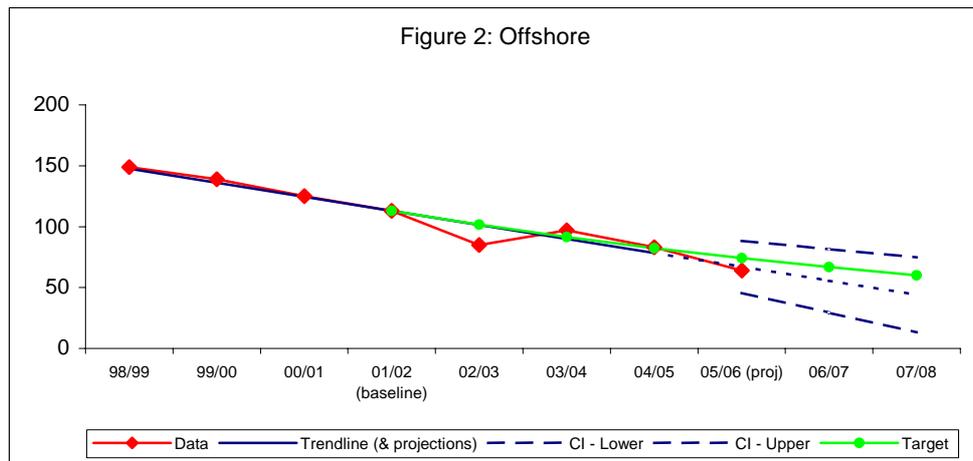
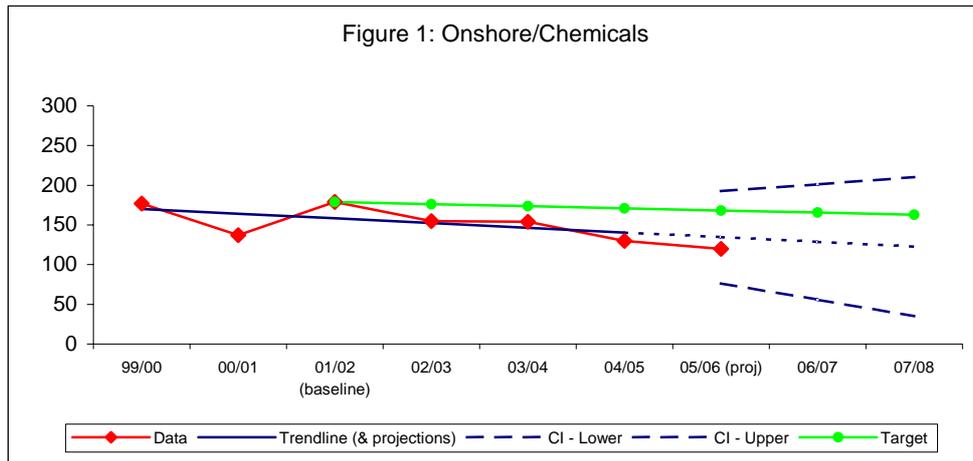
**MH Programme Working:** Progress has been made in instilling programme-working behaviours. The governance of the programme and the plans for its component parts have been firmed up and the Strategic Programme Board is now meeting monthly. A series of cross cutting projects are being introduced aimed at our priority issues and research is underway into possible use of the Influence Network Model (previously used in the Construction sector) across the MH sectors. There is still work to do in generating better common understandings and capabilities for programme and project working, and to improve the communication and coordination of activity across the sectors. Additional resource has been secured to develop and implement the Programme communication plan.

**Rail:** Agreement has been reached on a revised target for the Rail sector and this means we can now report on progress with improvements in this sector. (Industry has dropped its Precursor Indicator Model target of 10% year on year improvement as unachievable; RI has agreed a 5% year on year target as being realistic). Although RI will merge with ORR during this work year, there is a strong desire for them to continue to play an active part in the Programme in the immediate future. However, implementation is placing considerable resource demands in facilitating this transition, and this may compromise RI's ability to bring influence on the industry in the short term.

**HID:** Work is continuing to secure industry commitment to controlling Major Hazard risks, particularly in the Chemicals Sector where earlier initiatives are now coming to a conclusion. The increase in the oil price following Hurricane Katrina is likely to introduce fresh pressures in the prevention of hydrocarbon releases, as drilling activity increases and decommissioning work is postponed. These risks are exacerbated by the pressures on current staffing levels of experienced staff in OSD. A recruitment exercise is in progress but risks to achievement of targets will remain while new recruits become fully effective. A recruitment campaign is also underway within HID to fill gaps onshore, but again this will take time to be fully effective.

**NSD:** Loss of experienced resources continues. Major pressures are on the horizon with the MoD investment programme and proposals for further fragmentation of the industry. No significant work is being undertaken for taking forward ideas on regulation of new reactor build which remains an area of potential significant reputation risk.

### 3. Trajectory against performance indicators



4. Key Milestones		Status (Last Qtr) ♣	Status (This Qtr) ♣
Number of safety cases processed to relevant standards and timescale continue at a high level of performance (Onshore = 100%, Offshore = 100%, Nuclear = 100%) Rail=94%: Two acceptances granted outside timescale in May and July because of lack of dedicated resources for Acceptance Manager role.		Green	Green
<b>Onshore:</b>			
The CIA/HSE process safety performance measurement workshop has been completed.		Green	Green
COMAH guidance for safety report writers in the explosive industry to be launched at a workshop in 3 <sup>rd</sup> Qtr.		Green	Green
<b>Offshore:</b>			
The UKOOA/HSE joint workgroup is producing guidance on best practice in integrity management, which is due to be published in the 1 <sup>st</sup> Qtr 2006.		Green	Green
Rail:			
Progress meeting with Network Rail held on 19 <sup>th</sup> October to further review progress against the PIM			

5. Key Risks						
	Description:	L	I	Action taken since last report to manage risk / change status	Status (last Qtr) ♣	Status (this Qtr) ♣
<b>Programme Risk 1: Lack of Industry Commitment</b>						
a.	Onshore: Chemicals	M	M	Workshop to feedback good practice to Chlorine manufacturers and users following an industry audit. A comparative report is in preparation.  A third joint CIA/HSE workshop for industry has been run as part of the Process Safety Performance Measures Project programme aimed at improving the control of process safety risks at site level.  Follow-up to the Loss of Containment Voluntary Reporting Programme is continuing and the results from recent analysis are to be published.	Amber	Amber
b.	Onshore: Specialised  Fragmentation of Transco's gas distribution networks giving rise to uncertainty in the attitude of the new companies and how risks will be managed in the future.	L	H	Directors in the new operators have expressed commitment to exemplary H&S performance and to the PSA 2 targets. Evidence of this being put into practice will be tested by inspection during the year.	Amber	Amber

c.	Failure to meet iron mains decommissioning targets in the gas distribution networks. (3252 Km this year).	L	H	A newly independent network operator has reported significant under-performance in its replacement of iron gas mains. HID are engaging with the network to ensure that resources are deployed to bring the decommissioning back on target.	N/A	Amber
d.	Explosives Industry awareness of revised licence requirements	L	M	New regulations (MSER) have provided a platform for raising awareness of revised licence rules and need to review risks at licensed sites.	N/A	Green
<u>e</u>	<u>Nuclear:</u> - Negative influence of NDA in becoming controlling mind, etc. of licensees – confused roles and responsibilities with drivers pushing licensees' attention away from excellence in plant operations.	M	H	Dialogue with CE/Directors of NDA and relevant licensees Directors. Continued vigilance during site visits and other contacts with licensees' personnel, and bringing together of position across the industry for discussion at relevant fora.	N/A	Amber
<b><u>Programme Risk 2: Lack of data below precursor level making it difficult to track progress</u></b>						
a.	Onshore: Chemicals	M	M	Impact of HSE/CIA joint guidance on Process Safety Performance measures to be assessed following launch in the autumn.	Amber	Amber
b.	Rail:  Engagement with the industry on how best to apply RSSB's PIM to improvement programmes. Escalation in the transition programme to facilitate the ORR merger may delay this work. Further recalibration of precursor model, which could impact on target levels and performance.	M	M	The railways PSA target has been revised to a more realistic 5%. Regular meetings with key players, i.e. RSSB & Network Rail continue. Performance Measurement Project for ORR, is progressing and will allow ORR to be alert to performance measurement issues and prioritise accordingly	Amber	Green

<u>c</u>	<u>Crosscutting Programme:</u>					
-	Current measures give indication of how industry has performed not how it will perform in the future.	M	M	Project has been initiated into identifying suitable leading indicators.	N/A	Amber
<b><u>Programme Risk 3: Resources</u></b>						
a.	Onshore:  HID CI & SI continue to lose experienced resources which may affect their ability to achieve this PSA target.	H	M	A specialist recruitment campaign has recently taken place. Central resource has been diverted to frontline work.	N/A	Amber
b.	Offshore:  OSD continues to lose experienced resources which affects ability to maintain thorough inspection verification.	H	M	A recruitment campaign is taking place in Qtr 3		Amber
c.	Nuclear:  Continuing loss of some of the most experienced resources and associated drop in morale of staff remaining, at a time when significant change in occurring and is on the horizon.	M	H	New recruitment campaign underway. Close attention paid to optimum use of nuclear resources including enhancing management and leadership capabilities. Discussions held with Executive. Recognised as an issue of strategic importance to the Executive and communicated as such to staff. Executive requested that discussions taken forward with RPD on "package".	N/A	Amber
<b><u>Programme Risk 4: Changing Operating Environment</u></b>						
a.	Offshore:  The increase in the oil price is a major factor in the increase in drilling activity taking place in the UK Continental Shelf. This increase in activity also affects the supply side and is encouraging some Dutyholders to delay decommissioning some (older/marginal) installations. These will stretch the dutyholder's and OSD resources and the ability of contractors to supply competent labour. All increase potential for	H	M	Not reported last Qtr. Resources have been diverted to focus on OSD's KP3 workstream (Installation Integrity Management) from other areas as an initial response to these developments.	N/A	Amber

	HC releases.					
b.	Nuclear:  Potential further fragmentation of the industry, with sell off of the component parts of BNFL and proposals for early competition of NDA owned sites.	H	M	Response to consultation on competition being collated. Discussions held with senior members of industry and NDA and with senior official of Dti. Powers of the nuclear licensing regime provide a means of effecting attention to H&S concerns but timescales envisaged are difficult given resourcing position and other demands.	N/A	Amber