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HEALTH AND SAFETY COMMISSION

HSC Business Plan 2005-06 to 2007-08

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Issue

1. Proposals for overall shape and content of the business plan to implement the Commission's Strategy and targets over the years 2005-06 to 2007-08.

Timing

2. Routine. We intend to produce a full draft Business Plan for Commission approval in March.

Recommendation

3. That you:
 - Consider the outline framework for the HSC Business Plan for 2005-06 to 2007-08 (Annex 1);
 - Note and agree the guiding design principles and the key audiences;
 - Decide whether any of the proposed content should be omitted or emphasis changed.

Background

4. One outcome of a recent planning overhaul (HSC/04/85 refers) was that planning should be considered in three-year periods to align plans with the Spending Review period and the arising Public Service Agreement (PSA). Indicative three-year financial allocations would be made to directorates to inform planning and provide a basis for negotiation between Directorates and Strategic Programme Directors.
5. We do not yet have confirmation of HSC's financial settlement from the Spending Review. In light of this, indicative three-year financial allocations made to Directorates have been based on the most recent indicators from DWP on our budget.
6. A Strategic Direction Statement was produced (HSC/04/87 refers) as the Executive's tool to direct the work of the organisation towards implementing the Commission's strategy and delivering the PSA targets. It was issued to senior managers and planners with guidelines to develop a three-year Business Plan 2005/6 – 2007/8.

Argument

7. An outline framework of the Business Plan is attached. The key design principles are that it will be forward looking, high-level and will use the HSC Strategy for workplace Health and Safety as a major reference. In order to keep the plan sharp and concise certain areas may be omitted or 'trimmed'.
8. The key audience is Ministers whose agreement to the Plan is the means by which Ministers agree the Commission's proposals for delivering objectives and for using resources. In addition, HSE managers and staff are a key audience. The plan must provide a clear line of sight from corporate aims to their own priorities and direction. Other audiences include DWP, HM Treasury and key stakeholders.
9. Although the Business Plan will cover a three-year period it is intended that it will contain more detail for the first year of the period and be more high level for later years. The Plan will be revisited annually and revised to incorporate more detail for the first year of the next planning period.
10. The plan needs to show how resources link to our key activities and it will focus on our 2 big Strategic Programmes to deliver the PSA Targets – the 'Fit for Work, Fit for Life, Fit for Tomorrow' Strategic Programme and the Major Hazard Strategic Programme. It will also need to refer to our associated 'enabling' programmes (Local Authorities, Enforcement, Worker engagement and Business Involvement). It will also need to touch on other aspects of our planned work in 2005/06 – a potentially comprehensive picture is given in the Annex.

Consultation

11. Members of the Resource and Delivery Group. Wide internal consultation is envisaged for second iteration of plan.

Presentation

12. Not immediately relevant, however the Business Plan is a public document submitted for agreement to the Secretary of State for Work and Pensions.

Costs and Benefits

13. Not relevant at this stage

Financial/Resource Implications for HSE

14. The Business Plan covers areas relating to the entire HSE budget. HSE's gross budget for 2005-06 is expected to be in the region of £285m based on the most recent indicative allocation from DWP.

Environmental Implications

15. None.

Other Implications

16. Not relevant at this stage

Action

17. PEFD will produce a full version of the HSC Business Plan 2005-06 to 2007-08, in wide consultation with stakeholders across HSE, for substantive discussion and approval at a future Commission meeting (March).

18. Any comments regarding the shape or proposed content of the HSC Business Plan 2005-06 although not specifically requested at this stage will be gratefully received.

Annex

HSC 3-year Business Plan (2005-2008)

Design principles:

- Keep as a high-level, strategic document
- Use the HSC Strategy as a major reference
- Be as sharp and concise as can be achieved
- Include the Strategic Direction Statement as a major annex
- Leave detail to be available on website as a clear 'drill-down' from this doc (and say so).
- Limit reporting on 'how we got to where we are' – be determinedly forward looking
- Be a document which can stand-alone and be seen as a real credit to HSC/E (i.e something to be proud of).
- Be a document which our Ministers will be pleased to approve.

Key Audiences:

- Ministers (who approve what the HSC proposes to do¹ – s.12 HSWA)
- HSE's Managers and Staff (who need to be able to see a clear line-of-sight from our (approved) Plan to their own priorities and direction)

Other Audiences:

- DWP generally (give confidence that resources are to be applied to deliver PSA5 and statutory/legal requirements)
- HMT (as part of DWP's process of giving HMT like confidence)
- Parliament and key stakeholders (who have an interest in how public money is being spent and the overall direction of health and safety regulation)

Proposed Framework.

Foreword

(upbeat and inspiring; but draw attention to uncertainties – Hampton outcomes (?), the general election, big incidents, the importance of foresight, the challenge of engaging the whole 'H&S system',...)

1. Setting the Scene

- The purpose of the plan and the main 'drivers' (the Strategy, Vision, Mission, Strategic Aims and Objectives, PSAs, HSWA, political and legal imperatives)
- Key elements of the Strategy to be taken forward in 2005-2008
 - direct reference to the Strategic Direction Statement (attach as an Annex) – from Strategy to Delivery
 - commitment to partnership working
- PSA5 (what it is + the nature of the challenge -?Including graphs of progress/trajectories?)

¹ Hence desire to get the Plan approved by the SoS before the beginning of the plan's period (i.e. 5 April 2005)

- SR04 outcome + the political/social/economic environment [?refer to pressures from, e.g., concern over gangmasters, illegal employment?]
- The approach to prioritisation and allocation of resources + Indicative allocation of resource across HSE (pie chart)
 - Commitment to evidence-based approaches and impact evaluation Use of ILM giving reality check on delivery
- Policy Group review.
 - Explain review to realign resource to implementing strategy and delivering PSA
- Governance
 - Role of the Commission
 - RDG
 - Commitment to Programme and Project working
 - Responsiveness to DWP
 - Reporting
 - Commitment to Fol

2 Strategic Programmes

- Strategic Programmes
 - rationalised - was 5 now 2 – adapting in the light of experience
 - delivery supported by 4 enabling programmes, of equal importance
 - aligned better with delivery
 - accountability
 - list the rationalised SPs and their respective SPDs (stating MH is likely to change).
- Fit3
 - New SP based on analysis and aligned with strands of RHS/PSA
 - State three year target and approach
 - Diagram of structure
 - Some existing work and some new
 - Some detail of work planned in 05-06
 - Less detailed info for 06-07 and 07-08
- Major Hazards (not including rail).
 - Existing SP aligned with the nuclear, offshore and onshore industries.
 - Commitment in strategy to review SC regimes etc
 - State three year targets (to clarify with NSD and Strategic Programme team for nuclear target)
 - Precursor incident explanation
 - Some detail of work planned in 05-06
 - Less detailed info for 06-07 and 07-08.

- Local Authorities.
 - Enabling programme forming partnership and thus improving H+S standards.
 - Statement of intent becomes reality.
 - Some detail of work planned in 05-06.
 - Less detailed info for 06-07 and 07-08.
- Worker Engagement.
 - Aims and planned outcomes.
 - Some detail of work planned in 05-06.
- Business Involvement.
 - Aims and planned outcomes.
 - Some detail of work planned in 05-06.
- Enforcement.
 - Using enforcement in regulatory authorities to change behaviour, support implementation of strategy and deliver targets.
 - Aims and planned outcomes.
 - Some detail of work planned in 05-06.

3 More ways of driving reductions in harm and meeting legitimate expectations

- Policy Programme
 - RIDDOR review (?link to wider issues - WHASS/THOR/etc?)
 - [?implementation of the Legislative review/Land Use Planning/civil contingencies/ ?what detail do we want here?)
- Intervention Strategies – a forward look following the ‘Recognition and regulation’ consultation exercise.
- HSE Rail
 - Remains a key area for risk control – must not take our eye off the ball
 - Plans included for first year of period although merging with ORR
 - Transition
 - No new target based on RSI yet (show existing target).
 - RDP
 - how contributing to PSA
- Intelligence, statistics and economic analysis – its importance - planned developments (e.g. WHASS, review of RIDDOR) and commitments
- Other statutory and political imperatives

4 Science and Innovation

- Contribution of S+I and as key source of evidence and support
- Strategy – focus on delivery and target expenditure (?hyperlink if available)

- Foresight
- New web services
- Proposed allocation to areas of spend (pie)
- A commitment to extra mural commissioning of research
- A commitment to HSL
 - o How we plan to develop relationship
 - o Review
 - o Not just research but large %age forensic support

5 Communications

- Comms as a intervention in its own right (seek advice of Comms Dir)
- Strategy – overall approach over the 3 year period
- Effective comms
- Comms objectives
- Range of activity continues to develop to help improve H+S and deliver targets (seek advice of Comms Dir)
- Detail some of the planned areas of investment and big activity – e.g. media campaigns (seek advice of Comms Dir)

6 Other areas of corporate business.

- Our approach - Stress that we wish to minimise costs to deliver what organisation needs to increase impact of our main programmes
- Infrastructure
 - Explain what the infrastructure is.
 - Estate strategy – choices, intentions and savings
 - IT strategy – to increase effectiveness/efficiency/productivity
- Corporate Support services
 - Drive down spend still further.
- Developing our workforce
 - To develop flexible workforce of the right size, with right skills in right place, to secure delivery through our changing organisation
 - Workforce strategy (seek advice of Personnel Div)
 - HR Service Transformation (seek advice from Personnel Div) including improved HR service centre and e-enabled systems.
 - Management capability - project to develop managerial culture aiming to better equip HSE's managers to exercise authority, take responsibility and develop better performance management.

7 Efficiency

- Efficiency Programme
 - £50m target
 - 5 key objectives with a sixth 'catch all'.
 - o Improving operational productivity
 - o Refocusing our policy, communications and standard setting functions on our strategic priorities

- Making better, more cost effective use of scientific and technological support (including research)
- Developing a leaner, more agile and more efficient back office
- Reducing the cost of acquiring and managing our assets and services (e.g., the estate, IT and other contracted services)
- Other corporate Efficiencies/economies
- Some mention of universal work recording and unit costing and their far reaching impact

8 Performance Management.

- Structure of reporting framework and interested parties.
- Commitment to continuous improvement
- Balanced Scorecard as management tool.
 - Four business perspectives.
 - Delivering the mission
 - Managing resources
 - Continuous improvement
 - Reputation
- Business risk management.
 - Overview
 - Planned developments over the period