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HEALTH AND SAFETY EXECUTIVE

The HSE Board

Public Spending Agreement Targets 2004 and beyond

A Paper by Tony Mulhall

Advisor(s):

Cleared by Richard Hillier on 23 September 2002

Issue

1. Development of SR 2002 PSA targets.

Timing

2. Immediate in part. We have missed the window of opportunity to re-introduce a new and broader PSA target as part of the DWP suite of targets. We can roll forward the existing target and "shadow run" with targets for other areas of work such as major hazards. This will be in effect development work for the 2004 spending review and related PSA targets.

Recommendation

3. The Board considers and decides:
 - whether we agree to the existing PSA target being rolled forward ; and
 - whether we "shadow run" with a major hazards target for 2003/06.

Background

4. The recent machinery of government changes coincided with the final stages of the 2002 Spending Review. The target for HSE was not part of the negotiations for either DfT or DWP, consequently there is no PSA target for HSE beyond 2004.
5. The existing PSA target, set in the 2000 Spending Review is to:
 - reduce the number of working days lost per 100 000 workers from work related injury and ill health by 30% by 2010;
 - reduce the incidence rate of fatal and major injury incidents by 10% by 2010;
 - reduce the incidence rate of cases of work related ill health by 20% by 2010; and
 - achieve half the improvement under each target by 2004.

Argument

6. PSA targets are owned by the relevant Secretary of State, who is in turn held to account by the Treasury, the Cabinet Office Delivery Unit and Commons Select Committees. It has become clear that there will be closer scrutiny and challenge of our management of delivery by the Minister and Department. Whilst the PSA targets are not required to represent all the work of a department, Treasury sees them as a Department's top objectives with the expectation that their delivery will take precedence.
7. Our existing PSA target presently competes with resource for delivery with the other three blocks of work in the Strategic Plan. It can be suggested that delivery of the present PSA targets is not HSE's top priority.
8. Our main objectives are to ensure the risks to workers are properly controlled, the revitalising targets, and the risks to workers and the public from defined major hazards are properly controlled. All the other work we do underpins the delivery of both these targets, though investigation and enforcement – "securing compliance"- and dealing with complaints and enquiries also must alter public perceptions of our responsibilities.
9. Before we can set the right PSA target for 2003-06 the Board and Commission need to reaffirm and rank their top objectives focussing on those we can reasonably be expected to deliver with the resources allocated in the 2002 Spending Review settlement. We should also need to prioritise what we do with the resources provided.
10. If Board members agree the existing SR 2000 PSA target should be rolled forward to 2006. The target could be to:
 - reduce the number of working days lost per 100 000 workers from work related injury and ill health by 30% by 2010;
 - reduce the incidence rate of fatal and major injury incidents by 10% by 2010;
 - reduce the incidence rate of cases of work related ill health by 20% by 2010; and
 - achieve **60 %** of the improvement under each target by 2006.
11. Your comments on a previous draft of this paper supported proposals for a target reflecting our work in major hazard industries. Your contributions indicated a developing consensus around a major hazard target such as "to reduce the number of precursor incidents in major hazard industries by X% by 2006". PEFD could work with HID, NSD and RI to refine this target and agree definitions of precursor events and a value for X.
12. You also recognised there would be some benefit in linking our contribution to delivering the rehabilitation targets in SH2 to DWP's targets. The SH2 targets are:
 - by 2010 everyone currently in employment but off work due to ill health or disability is, where necessary and appropriate, made aware of opportunities for rehabilitation back into work as soon as possible; and
 - by 2010 everyone currently not in employment due to ill health or disability is, where necessary and appropriate, made aware of and offered opportunities to prepare for and find work.

13. Modifying and adopting these targets as a PSA target introduces significant complications and demands around baseline setting, delivery and monitoring. I do not propose we develop such a target, I recommend we include our work to deliver this part of SH2 in DWP's Service Delivery Agreement for the DWP SR 2002 PSA target to increase the employment of people with disabilities.
14. Board members were unanimous in rejecting an all embracing target or set of targets for our work. However that leaves the SH2 target on public safety standing alone as the one element of HSC/E's two major strategies not included. Although we are contributing to delivery of this by some activities under "securing compliance", for instance that element of inspection of NHS trusts that considers hospital acquired infection or work on legionella or domestic gas safety for instance.
15. We have a number of internal business/secondary targets such as the priority programme targets, securing compliance targets, specific major hazard industry targets, and other targets set out in the Strategic Plan. We will continue to apply these to direct specific areas of work as one of a number of elements in our performance management regime.
16. The targets in paragraphs 9 – 14 reflect all the targets we are committed to in RHS/SH2 and the Strategic Plan. The 2002 Spending Review outcome suggests that we should rank our priorities and ensure that they are resourced appropriately. **The Board is requested to advise how and when they wish to carry out this prioritisation work and whether they wish to be committed to a rolled forward SR2000 PSA target in the interim.**

Consultation

16. All D/Ds have been consulted on an earlier draft of this paper, as have the Health and Safety Sponsorship Division, DWP. The Planning and Performance Division of DWP have also expressed their views on a PSA target for 2003/06.

Presentation

17. The PSA targets you approve will need to be cleared by the Commission before we finalise them with DWP and the Treasury. Once agreed we will need to publicise and communicate the new targets widely internally and externally, in the form of press releases and articles rather than HSE printed publications.

Costs and Benefits

18. There are no significant costs in developing the targets. The benefits include:
 - a clear statement of HSE's priorities and subsequent alignment of resource
 - engagement of all HSE staff in delivery,
 - political/external status and credibility.

Financial/Resource Implications for HSE

19. There are no resource implications in the preparation of the targets. However there would be significant implications if we were to decide to align resources against the

priorities. The Board will need to deal with this issue during the 2002 Autumn Planning Event and the development of the 2003-4 Business Plan.

Environmental Implications

20. No environmental implications

Other Implications

21. Not applicable

Action

22. Subject to the Board's decisions on priorities and resources PEFD will work quickly with D/Ds and HSSD to develop and agree PSA targets before:

- Board and Commission approval
- Adoption by DWP
- Communication to all stakeholders.

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