

B/03/038

“MAJOR HAZARD” INDUSTRIES PSA

To have 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.

How the target is measured

HSE plays an important role in the regulation of major hazard activities, i.e. those industries where control failures can lead to a “catastrophic” effect including rail, nuclear, offshore oil and gas and onshore chemical industries, and in ensuring the safe management of these industries. The proposed PSA aims to reflect how well Major Hazard industries militate against failures in major hazard control systems within these industries. The detail of how progress in each industry will be tracked is still under development. The degree of reduction necessary/achievable and the types of precursors to be monitored will be different for each major hazard industry. The details of our approach to measuring progress with each PSA will be set out in the relevant technical note for the target. Arrangements for the delivery of this PSA will be described in the Business Plan for 2003/04 and linked Directorate operating plans for 2003/04.

Delivery strategy to achieve objectives

For 2003/04 HSE will operate the proposed PSA as an internal target to ensure the appropriate indicators have been selected and their suitability as measures of improved safety management and triggers for HSE action assured. For some industries, further work may be needed to develop a credible set of indicators that reflect safety controls and which can be confidently used to target HSE’s activity.

“Major Hazard” industries PSA – Key Requirements for achieving this target are:					
Responsibility	Requirement	Target/assumptions for 2005/6	Assumed impact on overall PSA target by 2005/6	Status	
				Last Q	This Q
Rail Target: Reduce the incidence of 5 indicators including signals passed at danger (SPADS), and track compromised (broken rail, landslip), derailments, vandalism and level crossing incidents 2001/02 Baselines 196/837/93/984/182 respectively	Delivery of Directorate operating plan	% reduction for these indicators still under development. Discussions are still being held with key players in the rail industry, including OGDs, to ensure the targets align with their existing and proposed targets	Reduction will be determined in SR 2004 exercise		
Onshore Target: Reduce the incidence of relevant RIDDOR-reportable Dangerous Occurrences including failure of pressure system and unintentional explosions 2001/02 baseline of 156 dangerous occurrences	Delivery of Directorate operating plan	6% target reduction for these indicators	Reduction will be determined in SR 2004 exercise		
Offshore Target: To reduce the number of Hydrocarbon releases off-shore 2001/02 baseline of 112 major and significant releases	Delivery of Directorate operating plan	40% target reduction for these indicators	Reduction will be determined in SR 2004 exercise		

Nuclear Target reports made to HSE by licence holders which indicate a challenge to nuclear safety 2001/02 Baseline 143	Delivery of Directorate operating plan	% target reduction for these indicators - under development, likely to be zero i.e. no rise above baseline	Reduction will be determined in SR 2004 exercise		
---	--	--	--	--	--

Enforcement of the safety case regime, or in the case of the nuclear industry the licensing regime, will be used as the starting point for HSE to deliver this PSA. Each major hazard industry operates on the basis of a safety case or licence under which the activities take place. HSE carries out inspection programmes that ensure the provisions in the safety case or license are being adhered to.

For the first year, delivery will follow current operating plans but, over time, the information obtained from monitoring these precursors and seeking to manage them down might, in conjunction with the permissioning regime, influence HSE's future activity and targeting of resources.

Key assumptions

Success in the other major areas of HSE work ensures that resource is not diverted from delivery of this target into more urgent work.

Industry is a significant player and provider of the information and continues to be fully engaged and sympathetic to HSE's approach to regulation and to this PSA to deliver their contribution.

The socio-economic environment does not change in such a way as to introduce significant new risks to health and safety in Major Hazard industries, or to make comparisons over time difficult. For example, if the economic activity increases dramatically, e.g. oil and gas production levels but the number of hydrocarbon releases remains static, this could be considered an improvement.

Progress towards target

The quality of indicators available to measure progress with this PSA varies across the major hazard industries where HSE is responsible for enforcement. Some indicators, such as hydrocarbon releases or signals passed at danger are established and already used by the industry to monitor the effectiveness of control systems. Others are less well progressed and work is necessary to refine indicators which can be confidently used to track the state of the industry which are indicative of the failure of one or more significant elements of risk control and to direct activities to achieve improvements.

As the indicators are further developed HSE will seek to agree them with each industry and will in consultation with industry set percentage targets for improvements. Progress against these indicators will be monitored on a regular basis and reported in the HSE Annual Report. In some instances, for example hydrocarbons, HSE is reliant on industry information systems to monitor progress; in others independent data collected through RIDDOR can be used.

Risks to delivery of the Major Hazards PSA

Industry acceptance and engagement is a key element of this PSA. Much work will be required to establish baselines, targets and gain confidence particularly with industry sectors that may need different approaches and for which HSE might be relying on cooperation to measure progress.

HSE works with other regulators eg the Environment Agency (EA) and the Scottish Environment Protection Agency (SEPA) to ensure consistency of approach on policy and operational issues involving environmental legislation. Coordination of activities will be necessary to ensure the development of the PSA does not undermine this collaboration.