

Health and Safety Executive Board Minutes		HSE/03/021	
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## HEALTH AND SAFETY EXECUTIVE

### The HSE Board

#### Paper by Jane Franklin

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Cleared by Jane Willis on 14 March 2003

#### Management Summary

- This paper provides the Board with a summary of the February forecast based on the January outturn.
- The paper reports that Gross Admin Costs are forecast to fall by a further £0.8 million and the income forecast has increased by a further £0.53 million.

#### Recommendation (unchanged from last month)

The Board is invited to:

- Note the changes on the financial position (Annex 1);
- Note that Admin Costs underspends may be recycled back into 2004/05;
- Note that overspends on Programme and under recovery of income appear unlikely.

#### Action

- Board members (where relevant) are asked to take steps to encourage timely work recording to ensure that the income forecast outturn is as accurate as possible.

#### Background

1. This paper reports on the February forecast based on January Outturn. The position is shown in Table 1 of Annex 1.
2. The key changes to forecast since last month are detailed below :

### RPD Group

- Admin forecast has been reduced by £226k this month. This is mainly due to a reduction in central staff related budgets.
- Programme Expenditure has increased by £90k this month, in order to meet the costs of the SERCO contract through the research budget. This increase is mirrored by an increase in HID's income.
- Capital has been reduced by £208k this month in line with further slippage in major property events.

### Policy Group

- Admin forecast has been reduced by £252k this month across all D/Ds mainly in payroll and other staff related expenditure.
- Programme Expenditure has been reduced by £108k this month due to a reduction in the Small Firms Grant Scheme.

### Operations Group

- Admin forecast has been reduced by £260k across all D/Ds mainly payroll and other staff related expenditure.
- Income forecast has increased again this month by £533k. This has been driven mainly by an increase in income from Offshore Safety Cases.

## **Forecast against EYF Position**

3. The forecast position reported in Table 1 and 2 of Annex 1 to the Board reflects the information provided by D/Ds at the end of February based on January outturn. As reported previously HSE has drawn down £3.165m of Admin EYF to cover the shortfall on income reported at the December forecast.
4. The Gross Admin Costs forecast for February is £201.164m against a Settlement of £202.906m. This will represent an underspend of £1.742m against the Admin Settlement at the end of the financial year ie a movement of £0.8 million since last month.
5. HSE's Programme forecast has increased by £200k overall this month, this is in line with the Board's decision to aim to utilise any potential underspend rather than lose it.
6. The Income forecast has increased again this month (£0.5 million), reported to be due to an increase in Offshore safety cases.

## OUTPUT AND PERFORMANCE

### Regulatory Contacts

7. HSE Regulatory contacts are 7% above profile. As reported last month this is due to lower levels of complaints and investigations. This is compounded by the need to return safety cases to duty holders for further work. This allows more proactive work to be done.

### Incidents and Complaints

8. Due to the different picture of incidents being reported in FOD, and thus fewer incidents meeting HSC's incident selection criteria, the investigation rate is lower than expected. However, HID has had more events reported than profiled and this coupled with the increased complexity of reported events and enforcement has resulted in lower OPM count for HID.

### Safety Cases

9. The continuing delay in processing safety cases because they have had to be returned for further work by dutyholders means this OPM remains below profile and the end year profile might not be met. However the percentage of safety cases processed on time is nearly on profile at 88.3% (profile is 89.4%).

OPM	Profile	Outturn	Variance
<b>Regulatory Contacts</b>	159,136	170,553	11,417
<b>- FOD</b>	136,913	144,376	7,463
<b>Preventative Inspections</b>	62,034	64,410	2,376
<b>- FOD</b>	54,794	56,161	1,367
<b>Number of Investigations (incidents/complaints)</b>	34,714	26,489	(8,225)
<b>% incidents investigated</b>	8.2%	7.6%	(0.6%)
<b>% complaints investigated</b>	87.3%	80.5%	(6.8%)
<b>Number of safety cases processed</b>	658	445	(213)

## STAFFING INFORMATION

10. Annex 2 shows the number of staff (full time equivalents excluding HSL) in post at 1 March 2003 stands at 3751.9, of which 1656.76 were inspectorsContact

## HSE RESOURCE POSITION

1. Tables 1 and 2 below reflect HSE's current financial position.
  - Table 1 reflects the latest forecast for HSE Main against the Departmental Expenditure Limit (DEL) Resource and Capital settlement. The settlement now includes the additional £3.8m for the Cullen implementation.
  - Table 2 reflects the forecast movement in month.

<b>TABLE 1: GLOBAL POSITION</b>						
<b>LATEST FORECAST AGAINST BUDGETARY CONTROLS</b>	<b>DEL Resource/ Capital Budget Settlement</b>	<b>HSE Budget Forecast</b>	<b>Variance</b>	<b>HSL Budget Forecast</b>	<b>Variance</b>	<b>Global Variance</b>
Pay	153,306	130,905	(11,537)	10,864	0	(11,537)
GAE	66,522	68,578	8,734	6,678	0	8,734
Invest to Save	620	775	155	0	0	155
Modernising Government	0	906	906	0	0	906
<b>Gross Admin Costs</b>	<b>220,448</b>	<b>201,163</b>	<b>(1,742)</b>	<b>17,542</b>	<b>0</b>	<b>(1,742)</b>
Programme Costs	59,331	50,370	(3,378)	4,597	(986)	(4,364)
Bad Debts	134	25	(107)	0	(2)	(109)
<b>Total Gross Costs</b>	<b>279,913</b>	<b>251,558</b>	<b>(5,227)</b>	<b>22,140</b>	<b>(987)</b>	<b>(6,215)</b>
Income	(83,705)	(51,121)	7,222	(26,000)	(638)	6,584
<b>Net Resource Budget</b>	<b>196,208</b>	<b>200,437</b>	<b>1,995</b>	<b>(3,860)</b>	<b>(1,625)</b>	<b>369</b>
<b>Capital Budget</b>	<b>11,000</b>	<b>7,344</b>	<b>942</b>	<b>2,100</b>	<b>(2,498)</b>	<b>(1,556)</b>

<b>Table 2: INTERNAL BUDGET MANAGEMENT</b>	<b>HSE Budget (excl HSL)</b>	<b>Latest Forecast (excl HSL)</b>	<b>Variance on HSE Budget</b>	<b>Forecast change in month</b>
Pay	133,167	130,905	(2,262)	(620)
GAE	69,241	68,578	(663)	(177)
Invest to Save	775	775	0	0
Modernising Government	606	906	300	0
<b>Gross Admin Costs</b>	<b>203,789</b>	<b>201,164</b>	<b>(2,625)</b>	<b>(797)</b>
Programme Costs	50,631	50,370	(261)	(182)
Bad Debts	50	25	(25)	(5)
<b>Total Gross Costs</b>	<b>254,470</b>	<b>251,559</b>	<b>(2,911)</b>	<b>(620)</b>
Income	(51,213)	(51,121)	92	479
<b>Net Resource Budget</b>	<b>203,257</b>	<b>200,438</b>	<b>(2,819)</b>	<b>(1099)</b>
<b>Capital Budget</b>	<b>8599</b>	<b>7,344</b>	<b>(1,255)</b>	<b>(220)</b>

TABLE 1: HSE MAIN STAFF IN POST 1 FEB 2003

DIRECTORATE/DIVISION		STAFF IN POST 1.03.03	STAFFING PLAN 1.4.03	+ OR -	
HEALTH & SAFETY COMMISSION		2.8	6.0	-3.2	
STRATEGY & ANALYTICAL SUPPORT DIRECTORATE		85.7	125.9	-40.2	
SOLICITOR'S OFFICE		36.3	34.8	1.5	
RESOURCES & PLANNING DIRECTORATE		467.2	521.4	-54.2	
HEALTH DIRECTORATE		122.5	271.0	-148.5	
SAFETY POLICY DIRECTORATE		108.0	113.5	-5.5	
OPERATION PLANNING DIVISION		30.6	30.5	0.1	
DIR RAILWAY POLICY		44.1	60.4	-16.3	
COSASD		76.7			
FIELD OPERATIONS DIRECTORATE	Field Insp		795.3	735.6	29.7
	Information		1.0	0.0	1.0
	Mines Insp		1.0	0.0	1.0
	Spec Insp		117.8	35.0	32.8
	Quarry Insp		11.0	12.0	-1.0
	Nuclear Insp		0.0	0.0	0.0
	Offshore/Pipeline Insp*		1.0	0.0	1.0
	Medical Insp	1691.5	15.2	17.0	-1.8
	Occ. Health Insp		29.5	32.0	-2.5
	Scientists		86.6	3.0	83.6
	Admin/Other		633.2	622.5	10.7
RAILWAY INSPECTORATE	Field Insp		44.1	0.0	44.1
	Spec Insp		4.0	0.0	4.0
	Quarry Insp		0.9	0.0	0.9
	Nuclear Insp	178.7	2.0	0.0	2.0
	Railway Insp		54.5	122.0	-67.5
	Offshore/Pipeline Insp*		1.0	0.0	1.0
	Scientists		1.7	0.0	1.7
	Admin/Other		70.6	75.0	-4.5
HAZARDOUS INSTALLATIONS DIRECTORATE	Field Insp		122.0	153.0	-31.1
	Offshore/Pipeline Insp*		127.0	145.0	-18.0
	Spec Insp	608.1	108.8	67.0	41.8
	Nuclear Insp		1.0	1.0	
	Scientists		7.9	2.0	5.9
	Professionals		5.8	3.0	2.8
	Admin/Other		220.7	221.4	-0.7
	Mines Insp		15.0	14.0	1.0
NUCLEAR SAFETY DIVISION	Nuclear Insp		159.6	178.0	-18.4
	Spec Insp		19.0	0.0	19.0
	Field Insp	290.8	2.0	1.0	1.0
	Offshore Insp		1.0	0.0	1.0
	Professionals		2.5	3.0	-0.5
	Scientists		3.0	1.0	2.0
	Admin/Other		103.7	96.0	7.6
TECHNOLOGY DIVISION	Spec Insp		2.0	34.0	-82.0
	Scientists	2.0	0.0	5.3	-5.3
	Admin/Other		0.0	42.4	-42.4
ELECTRICAL EQUIPMENT	Professionals	2.5	1.0	0.0	1.0
CERT. SERVICE	Admin/Other		1.5	0.0	1.5
<b>TOTAL HSE MAIN</b>		<b>3747.5</b>		<b>3914.7</b>	<b>-167.3</b>

CHANGE ON MONTH	1.02.03	1.02.03	variance
PERMANENT STAFF	3755.8	3747.5	-8.3
CASUAL STAFF	3.5	4.5	1.0
<b>TOTAL</b>	<b>3759.3</b>	<b>3751.9</b>	<b>-7.4</b>

