

**B/03/072**

**HSE Balanced Scorecard**

**ANNEX 1**

**Delivering the Mission**

1) Delivering Planned work

End 02/03	Quarter 1	Quarter 2	Quarter 3	Quarter 4
G	A	A		

2) Delivering PSA1

R	G	G		
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3) Delivering PSA 2

N/A	G	G		
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4) Health and Safety in HSE

G	G	A		
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**Managing Resources**

5) Living within the Budget

A	G	G		
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6) Allocating resources to priorities

G	G	G		
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7) Recruit

N/A	A	G		
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8) Retain and motivate

G	G	G		
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**Continuous Improvement**

9) Leadership

End 02/03	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<del>X</del>	<del>X</del>	<del>X</del>		

10) Delivering Change

<del>X</del>	<del>X</del>	<del>X</del>		
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11) Applying Science & Technology

N/A	A	A		
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12) Applying Business Improvements

G	A	A		
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**Reputation**

13) Profile & Image

<del>X</del>	<del>X</del>	<del>X</del>		
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14) Trust & Reputation

<del>X</del>	<del>X</del>	<del>X</del>		
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15) Stakeholder engagement

<del>X</del>	<del>X</del>	<del>X</del>		
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<b>1 DELIVERING PLANNED WORK</b>	HSE	HSE	FOD	FOD	HID	HID	RI	RI	NSD	NSD
End 2 <sup>nd</sup> Quarter 2003/04	Plan	Outturn	Plan	Outturn	Plan	Outturn	Plan	Outturn	Plan	Outturn
<b>OPMA</b>										
Number of safety cases etc* processed	*	*			141	111	N/A	59	257	217
Number of safety cases etc* processed to time and quality standards					141	111	N/A	49	211	126
% safety cases etc* processed to time			100.00%		100%	100.00% (G)	100.00%	83.05% (R)	82.1*	58.1% (R)
<b>OPMC</b>										
Total number of complaints reported				11,908	224	194	N/A	363		
Total number of complaints followed up				10,946	202	181	N/A	349		
% complaints investigated			90.00%	91.92% (G)	90%	93.30% (G)	90.00%	96.14% (G)		
<b>OPMD</b>										
Total number of (incidents) reported					1 017	2 559	N/A	2 640		37
Total number of (incidents) that meet HSC criteria				1,945	250	251	N/A	244		37
Total number of incidents that meet criteria and were investigated				1,868	243	239	N/A	244		35
% incidents that met HSC criteria investigated			95.00%	96.04% (G)	95.00%	95.22% (G)	95.00%	100% (G)	100%	94.59% (A)
<b>OPME</b>										
Number higher risk workplaces identified							N/A	N/A	43	43
Number higher risk workplaces receiving an intervention							N/A	N/A	43	43
% high hazard/risk workplaces receiving an intervention			100.00%				N/A	N/A	100.00%	100.00% (G)

\*Includes safety reports and safety submissions

## Delivering Planned Work Narrative

### FOD

OPM D: FOD can no longer report easily the numbers of incidents reported, due to the changes in ICC procedure. Numbers of incidents reported, meeting the criteria or investigated are not planned or profiled.

### RI

5 safety case issue logs and 5 acceptances were not on time. 1 issue log was late because of a misunderstanding with temp staff, 1 was late due to lack of supporting information from the dutyholder, 2 were late because the lead assessor had to wait for responses from all the other assessors before he could send out the logs. no reason given for the fifth late issue log.

Of the 5 late acceptances, 1 was late because the Acceptance Manager had some issues to raise with the company about the risk assessment, 2 were late because of excessive workloads and delays in sending close out packs to different safety case managers in Newcastle, Sheffield and Rose Court, 1 was late due to staff on AL and the time it took to send close out packs to different managers in different locations and the fifth was late because safety Case Team were awaiting acceptance from Network Rail before RI could accept it.

### NSD

OPM A - The reasons NSD have not met the 82% of safety cases, reports and safety submissions completed to time target are due to lack of resources, reactive work and work of a higher priority. Alun Williams is currently investigating with Heads of Assessment Units the degree to which other priorities are deflecting us from achieving the OPM target. He will report to Justin McCracken in due course.

NSD's OPMD definition and target has changed. The new definition is now: *100% of events reported as INES 1 and above, will be subject to a **preliminary** investigation that involves action by the site inspector including relevant follow up at a site visit.* The figures for the 2<sup>nd</sup> quarter include comparable figures with the 1<sup>st</sup> quarter.

\* HSE Plan and Outturn columns: Completion no longer meaningful: because some Operational Directorates do not have plans for certain of the OPMs the HSE Plan/Outturn columns do not directly "read across".

<b>2 Delivering Worker Health and Safety PSA1</b>									
<b>End 2<sup>nd</sup> Quarter 2003/04</b>	<b>1999/00</b>	<b>2000/01</b>	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2007/08</b>	<b>2009/10</b>
<b>Reduce Number of working days lost/100,000 workers from work related injury and ill health by 15% by 2004 and by 30% by 2010</b>			<b>Baseline</b>			<b>RHS Mid-point</b>			
No of working days lost/100,000 workers from work related injury and ill health			<b>40.2m</b>	No new data		34m			28m
<b>Reduce incidence rate of fatal and major injury incidents by 5% by 2004 and by 10% by 2010</b>	<b>Baseline</b>					<b>RHS Mid-point</b>			
<b>Incidence rate of fatal and major injury incidents</b>	<b>263.2</b>	<b>262.0</b>	<b>268.9</b>	* (Figures to be included in Q3)		250.0			236.9
<b>Reduce the incidence rate of cases of work related ill health by 10% by 2004 and by 20% by 2010</b>			<b>Baseline</b>			<b>RHS Mid-point</b>			
Incidence rate per 100,000 employees of cases of work related ill health			<b>2,200</b>	* (Figures to be included in Q3)		2000			1800
<b>Priority Programmes</b>									
Progress with Priority Programme Plans	See "Narrative on Delivering Worker Health and Safety PSA below								

\* Statistics for 2002/03 report: fatal and major injury rate: provisional assessment – no change; work-related ill-health – likely to have risen; working days lost – no new data)

## **Narrative on Delivering Worker Health and Safety PSA**

**Business Plans:** Each PP has set quarterly milestones throughout 2003/04, delivery of which (together with Securing Compliance\Externalities) determines the “traffic light” status of the PSA targets. At this stage, some have fallen short of full delivery but expectations are that all will largely be achieved by the year-end. Falls from Height (Ffh) and Workplace Transport report that some milestones have yet to be fully achieved, but inspection activity and awareness raising progress is good in both; Construction reports a cautionary amber, but shortfalls are being addressed. Despite these few shortfalls, a green is indicative of the position overall.

**“Surrogate” indicators:** At the June Ministerial meeting, a number of “surrogate” indicators intended to provide a level of assurance of delivery of the targets whilst awaiting the annual health and safety statistics were agreed for each of the PPs. The indicators were based on the impact of the outputs.

Of the 21 indicators scheduled for report this quarter, good or very good (above profile) progress has been made in most: all Construction indicators have been achieved or are above profile; the safety awareness days indicator is above profile and progress is good on enforcement in Agriculture; the level of operational activity in Health Services is good and stakeholder engagement activity has been achieved; there has been an increase in Ffh operational activity and proactive inspections in workplace transport were exceeded; a mixed picture for work-related stress – inspector time increased but initiatives in hand to address potential year-end shortfall of plans. Risk Control Indicator analysis appears to show positive progress in hazards reported (MSD, slips and trips). Awareness raising indicators are on track for Ffh and workplace transport.

Remaining indicators: Agriculture “Influence on safety through machinery design” indicator is expected to get back on track in Q3. Baselines or first reports were recorded for 3 indicators. Improvement Notices issued were steady for Slips and Trips; a mixed picture for MSDs (large increase in 2002/03 compared with 2001/02 but a fall in first two quarters of 2003/04). A new indicator is being considered to replace the MSD and Health Services proposed indicator (in-year trends in manual handling incidents): data is not easily accessible. Overall: good progress.

**Government as exemplar:** This is a new Priority Programme, foundations are still being laid for future activity and targets and the programme is still under development. The contribution to the targets is to be quantified but estimates are that it is significant for Priority Programme health topics (work-related stress, MSD). Little real or positive progress made during last quarter although process of laying foundations continues. The Programme Board (expected to convene Oct) now being arranged for December. Red light status assigned.

Given the potentially very wide and amorphous nature of this programme it is crucial to ensure that overall direction is correct; the ‘right’ issues scoped out, and appropriate responsibilities, timescales, and levels of resource and channels of influence identified. To this end, and given that this programme is designed to be a cross public sector programme, it has been seen as critical to establish a Programme

Board of the right calibre and mix of external members/stakeholders. A key function of this Board must be to comment on the issues outlined above (particularly direction, timescales, influencing strategy) – rather than for this be determined in an HSE-centric way. This is particularly important given that:

- i) the previous mechanism established for cross level Govt discussion of this issue (the High Level Forum) under the 'Revitalising' initiative has proved relatively ineffective; and
- ii) many Departments have shown themselves 'suspicious' of direct contact by HSE. Ownership by others is critical to the success of this programme.

Given the above it is appropriate to see the GSE programme take a firmer shape after the Programme Board has held its first meeting. Getting the right Board together has taken longer than originally anticipated.

Compliance/Externalities: **Compliance**: Preventive inspections well above plans (almost 10%). **Externalities**: Progress made in a number of areas: research figures published show increases in firms reporting health and safety & with health and safety direction at Board level; health and safety index being extended for use by SMEs; SoS announced setting up of Challenge Fund for Worker Safety Advisors; material available in time for "Dangerous substances" Euroweek; Asthma Board agreed research programme; Occupational Exposure Limit CD issued. Conversely, Employment National Training Organisation funding difficulties may delay drafting of safety "passport" standard. Publicity OPMs well on track, but moratorium on publication of guidance (part of a review of HSE's effectiveness) may affect year-end outturn. Positive cover generally in the regional/specialist media and continued press coverage of stress.

3 Delivering Major Hazards Target	Base Year		2003/04			
	2001/02	2002/03	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>Rail indicators</b>						
Signals passed at danger	172	143	36	36		
Track compromised	627	577	62	62		
derailments	63	56	17	15		
Acts of vandalism	921	741	113	72		
Level crossing incidents	182	176	50	77		
<b>TOTAL</b>	<b>1965</b>	<b>1693</b>	<b>278</b>	<b>262</b>		
<b>Nuclear indicators</b>						
Reports made to HSE by licence holders which indicate a challenge to nuclear safety	143	156	22	24		
<b>Offshore indicators</b>						
Major and significant hydrocarbon releases	113	85	24	17		
<b>Onshore indicators (COMAH)</b>						
Relevant RIDDOR reportable dangerous occurrences, e.g. unintentional explosions, failure of pressure systems	179	155				

### Delivering Major Hazards Target Narrative

- 1) Rail - (a) baseline data revised following further analysis; (b) the Q2 data for "track compromised" has been transposed from Q1 as the data series has been discontinued. Proposals for a risk-weighted and combined index to replace the current 5 indicators for rail is set out in a separate note.
- 2) Offshore - the Q1 figure has increased from 12 to 24 because the reporting scheme agreed with duty holders gives them up to 1 month to report an incident so each quarter may see an increase in the previous quarter's reported figures
- 3) Onshore (COMAH) - the baseline figure for 2001/02 has been updated from 156 to 177 following further data validation work

4 Delivering Health and Safety in HSE	End Year	End Year	2003/04			
	2001/02	2002/03	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>End 2<sup>nd</sup> Quarter 2003/04</b>						
<b>Sick Absence</b>						
Number of instances of absence during qtr	6534	7152	1,412			
Average days absence per staff year per qtr	8.06	8.36	7.10			
<b>Referrals to Occupational Health Provider</b>						
Number of reports of ill health due to DSE use	89	92	(G) 13	(G) 13(1)		
<b>Notification of Accidents and ill Health</b>						
Fatal injuries	0	0	(G) 0	(G) 0		
Major injuries	2	1	0	(A) 3		
Over 3 Day injuries	9	13	(G) 0	(G) 1		
Minor injuries	114	148	(G) 26(3)	(G) 36(7)		
Dangerous occurrences	2	0	(G) 0	(G) 0		
Near misses including verbal abuse and possible accidental exposure to asbestos	72	85	(G) 14(1)	(G) 21(1)		
ill Health cases	129	158	(G) 19	(G) 25(1)		
Total reported incidents	328	405	(G) 59	(G) 86		

### Delivering Health and Safety in HSE Narrative

There were 15 RIDDOR reports during 2002/03, 2 of which were reported by employers of non-HSE staff. This compares with 15 2001/02 (incl. 3 non HSE staff) and 15 in 2000/01 (incl. 2 non HSE staff). The incident rate for RIDDOR incidents is 303 per 100,000 employees. HSE estimates the total cost of the accidents/ill health to be approximately £275,000, but believe this underestimates the cost of ill health particularly due to stress. There were no claims settled during the year relating to work-related accidents.

QTR 1 & 2. The figures for non-HSE staff are included and shown in brackets.

QTR 2. There were 4 RIDDOR reports during the quarter. The three major injuries were: a fractured fibula after falling on site; a fracture to foot when a girder fell to the ground during the lifting of a steel beam and a fractured wrist following a fall down steps on site. Figures represent reports received in HSU up to and including 10 October 2003.

**Note:** Absence data will not be available until week commencing 10 November.

To be completed by Patricia Williams  
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5 Living within the Budget	Budget Profile	Outturn	Variance	Budget	Forecast Outturn	Variance	Estimate	Forecast Outturn	Variance
HSE not including HSL	To Date	To Date	(+or-)	for Year		(+or-)			(+or-)
	£k	£k	£k	£k	£k	£k	£k	£k	£k
<b>Admin cost: is spend on payroll and GAE in line with plan</b>									
Pay	67,492	65,794	-1,698	138,476	135,167	-3,309	147,852	135,167	-12,685
GAE	33,347	30,477	-2,870	72,276	72,100	-176	61,918	72,100	10,182
<b>Admin Costs</b>	<b>100,839</b>	<b>96,271</b>	<b>-4,568</b>	<b>210,752</b>	<b>207,267</b>	<b>-3,485</b>	<b>209,770</b>	<b>207,267</b>	<b>-2,503</b>
Admin Other	2,971	2,661	-310	7,406	7,243	-163	7,880	7,243	-637
<b>Total Admin Costs</b>	<b>103,810</b>	<b>98,932</b>	<b>-4,878</b>	<b>218,158</b>	<b>214,510</b>	<b>-3,648</b>	<b>217,650</b>	<b>214,510</b>	<b>-3,140</b>
<b>Programme: is spend in line with plan</b>									
Programme (incl Programme Other)	26,115	23,197	-2,918	57,158	52,494	-4,664	59,320	52,494	-6,826
<b>NET Resource Budget: is expenditure and income within net resource limit</b>									
Income	-24,873	-27,880	-3,007	-55,444	-56,833	-1,389	-54,343	-56,833	-2,490
<b>Net</b>	<b>105,052</b>	<b>94,249</b>	<b>-10,803</b>	<b>219,872</b>	<b>210,171</b>	<b>-9,701</b>	<b>222,627</b>	<b>210,171</b>	<b>-12,456</b>
<b>Capital Management: is capital spend according to Plan</b>									
Capital Spend (excl capital sales)	1,997	2,094	97	6,435	5,380	-1,055	6,502	5,380	-1,122

5 Living within the Budget	Budget Profile	Outturn	Variance	Budget	Forecast Outturn	Variance	Estimate	Forecast Outturn	Variance
HSE incl HSL	To Date	To Date	(+or-)	for Year		(+or-)			(+or-)
	£k	£k	£k	£k	£k	£k	£k	£k	£k
<b>Admin cost: is spend on payroll and GAE in line with plan</b>									
Pay	72,979	71,061	-1,918	150,603	147,244	-3,359	158,981	147,244	-11,737
GAE	35,880	32,803	-3,077	77,698	77,572	-126	68,579	77,572	8,993
<b>Admin Costs</b>	<b>108,859</b>	<b>103,864</b>	<b>-4,995</b>	<b>228,301</b>	<b>224,816</b>	<b>-3,485</b>	<b>227,560</b>	<b>224,816</b>	<b>-2,744</b>
Admin Other	4,353	3,427	-926	10,896	9,984	-912	11,760	9,984	-1,776
<b>Total Admin Costs</b>	<b>113,212</b>	<b>107,291</b>	<b>-5,921</b>	<b>239,197</b>	<b>234,800</b>	<b>-4,397</b>	<b>239,320</b>	<b>234,800</b>	<b>-4,520</b>
<b>Programme: is spend in line with plan</b>									
<b>Programme (incl Programme Other)</b>	<b>28,190</b>	<b>25,283</b>	<b>-2,907</b>	<b>62,063</b>	<b>58,148</b>	<b>-3,915</b>	<b>64,905</b>	<b>58,148</b>	<b>-6,757</b>
<b>NET Resource Budget: is expenditure and income within net resource limit</b>									
Income	-37,599	-39,903	-2,304	-81,389	-82,778	-1,389	-81,598	-82,778	-1,180
<b>Net</b>	<b>(G) 103,803</b>	<b>(G)..92,671</b>	<b>(G)..-11,132</b>	<b>(G)..219,871</b>	<b>(G)..210,170</b>	<b>(G) -9,701</b>	<b>(G)..222,627</b>	<b>(G)..210,170</b>	<b>(G)..-12,457</b>
<b>Capital Management: is capital spend according to Plan</b>									
<b>Capital Spend (excl capital sales)</b>	<b>(G)..3,427</b>	<b>(G)..2,385</b>	<b>(G)..-1,042</b>	<b>(G)..8,835</b>	<b>(G)..7,780</b>	<b>(G)..-1,055</b>	<b>(G)..11,100</b>	<b>(G)..7,780</b>	<b>(G)..-3,320</b>

#### Narrative

1. HSE (excl HSL) Outturn to date compared to Budget is showing a Net Resource underspend of £10.8m which is made up of a £4.9m underspend on Admin, £2.9m on Programme and £3m extra income.

The Forecast Outturn against Budget is showing a £9.7m reduction which is made up of £3.6m on Admin (£1.4m relates to ring-fenced Cullen), £4.7m on Programme and £1.4m extra income.

The Admin Forecast reflects the strategy of managing down whilst maintaining activity. The Programme forecast reflects the wish to build Programme EYF for the New Strategy and support of the HSL PFI.

HSL's Outturn surplus exceeds budget after the first six months and is forecast to meet their financial target of break-even.

**The Traffic Light for spend against budget is GREEN as there is no risk of breaching key controls. However, the outturn against both budget profile and the forecast out turn are below plan, which is consistent with the decision to bear down on spend. But it is important that underspends or extra income are forecast if HSE are to gain the advantage.**

**The Board will wish to consider the outturn alongside the activity levels reported in KPI 1, 2, 3 and 6.**

2. The Estimate has been adjusted for the Cullen funding £4m to facilitate comparison to forecast. The Board took the decision to allocate £4m above Estimate for IT and Change to be funded via EYF if it could not be managed in-year. HSE (excl HSL) is showing a £3.1m forecast underspend against Admin (£1.4m relates to ring-fenced Cullen) and an extra £2.5m of income. The GAE includes £2.5m regategorised from Admin Other as agreed with DWP. The HSE forecast is within Estimate and the forecast extra income can be reflected in the Estimate via the Spring Supplementary (based on December forecast).

**The Traffic Light for forecast against Estimate must be Green at this stage.**

<b>6 Allocating Resources to our operational priorities</b>	<b>2002/03</b>		<b>Quarter 1</b>		<b>Quarter 2</b>		<b>Quarter 3</b>		<b>Quarter 4</b>	
<b>End 2<sup>nd</sup> Quarter 2003/04</b>	<b>Plan</b>	<b>Outturn</b>	<b>Plan</b>	<b>Outturn</b>	<b>Plan</b>	<b>Outturn</b>	<b>Plan</b>	<b>Outturn</b>	<b>Plan</b>	<b>Outturn</b>
<b>(OPM B) % of resource committed to priority operational activities.</b>										
FOD	60.00%	63%	60%	66%	60%*	68%*				
HID			3660	3795	100%	108%				
RI			60%	62 %	60%	73%				
NSD			30%	36.4%	30%	31%				
HSE										
<b>Overall % resource committed to priority programmes as a proportion of that published in HSC Business plan</b>										
		105%								
<b>No regulatory contacts delivered</b>										
FOD	172,985	186,203	39136	36838	81534	87207				
(preventative inspections included in above)	71,858	74,112	15197	15533	31660	36341				
HID	16,528	21,042	4048	4598	8,266	9,940				
(preventative inspections included in above)	8420	9830	1784	1484	4,077	3,365				
RI	5,989	7,764	1,884	1,939	3,769	4,047				
(preventative inspections included in above)			943	873	1,886	1,799				
NSD	992	948	169	200	336	420				
(preventative inspections included in above)										
HSE	196,494	215,957								
(preventative inspections included in above)	80,278	83,942								
<b>FOD only - balance of resource committed to Proactive/reactive</b>	<b>60-40</b>	51-49		53.47		59%				

## Narrative

### FOD

Allocating resource. FOD can no longer calculate this figure in the way it did last year.

<b>FOD What does it measure</b>	<i>Why is it important</i>	<i>Targets and transparency</i>	<i>Measurement and baselines</i>
<b>Gradually redressing the proactive: reactive balance from its current 50:50.</b>	Greater impact achieved through proactive work, which is likely to move us closer to the PSA targets.	<p>Target is to move towards a 60:40 balance</p> <p>This is a new target and we currently have no insight into how measures adopted to achieve will succeed – nor total control over the elements feeding into it. We suggest green should equal status quo of 50:50 plus or minus 5%; yellow a decrease to 45:55 and red a decrease to below 40:60.</p>	Routine returns within FOD. Report quarterly.

Proposed measure:

<b>FOD What does it measure</b>	<i>Why is it important</i>	<i>Targets and transparency</i>	<i>Measurement and baselines</i>
<b>'The balance of resource allocation between proactive and reactive work'</b>	Greater impact achieved through proactive work, which is likely to move us closer to the PSA targets	(Revised) Target is to move back to the levels of five years ago, ie1998/99, when 61% of all recorded contact time was spent on proactive work. The previous target of spending 60% of total time (contact + regulatory support) on proactive work - slightly above the levels reached in 1999/00 - has to be replaced as we no longer record regulatory support time on FOCUS. Whilst some of the elements feeding this balance are outside our control (eg the numbers of incidents meeting the HSC incident selection criteria), we suggest that appropriate traffic lights could be: G = 2002/03 baseline of 54% or more to proactive work, A = 50 - 53.9% and R = less than 50%.	Routine returns within FOD. Report quarterly.

<b>7 Recruit</b>	<b>Baseline</b>	<b>2003/04</b>			
<b>End 2<sup>nd</sup> Quarter 2003/04</b>	<b>2002/03</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
<b>Occupancy of unfunded posts (the priority list)</b>					
Number of people occupying unfunded posts in Rose Court					
Band 1	1	1	(G) 0		
Band 2	5	4	(G) 1		
Band 3	1	1	(G) 0		
Band 4	0	0	(G) 0		
Band 5	1	0	(G) 0		
Band 6	0	2	(G) 1		
Total Number occupying unfunded posts in Rose Court	8	8	(G) 2		
Number of people occupying unfunded posts in Bootle					
Band 1	1	1	(G) 1		
Band 2	2	3	(G) 3		
Band 3	2	2	(G) 2		
Band 4	2	1	(G) 0		
Band 5	1	1	(G) 0		
Band 6	2	1	(G) 0		
Total Number occupying unfunded posts in Bootle	10	9	(G) 6		
<b>Total number occupying unfunded posts across HSE</b>	<b>18</b>	<b>19</b>	<b>(G) 9</b>		
<b>Length of time on list to placement in permanent post</b>	<b>N/A</b>	<b>N/A</b>	<b>21 weeks</b>		
<b>Success in filling agreed number of advertised posts within agreed timeframe</b>					
		(A) 67%	(G) 100%		
<b>Number of agreed posts advertised</b>	<b>N/A</b>	8	(G) 22		
<b>Number of agreed posts advertised filled</b>	<b>N/A</b>	7	(G) 10		

### Recruit Narrative

There is no historical data is available for this indicator.

The suggested target is for numbers occupying unfunded posts to fall, together with a gradual rise in the number of internal vacancies advertised

<b>8 Retain and Motivate</b>					
<b>End 2<sup>nd</sup> Quarter 2003/04</b>	<b>Mid Year</b>		<b>Turnover rate</b>	<b>Turnover rate</b>	<b>variance</b>
	2003/4	<b>Targets</b>	<b>2001/2</b>	<b>2002/3</b>	
<b>Turnover rate by the principle 9 disciplines in HSE</b>					
Admin	(G) 4.45%		9.00%	10.30%	
FAQ	(G) 1.37%		4.60%	3.90%	
Nuclear	(G) 0.58%		3.10%	6.00%	
Offshore	(G) 0.70%		5.40%	3.00%	
Other	(G) 6.67%		11.00%	12.20%	
Professional and Technical	(G) 9.52%		5.60%	102.20%	
Railway	(G) 5.00%		11.30%	10.40%	
Scientific	(G) 4.71%		7.20%	8.40%	
Specialist	(G) 1.20%		4.30%	1.50%	
<b>Turnover rate for all staff</b>	<b>(G) 3.37%</b>		7.20%	8.20%	

	<b>End Year</b>	<b>2003/04</b>				
	<b>2002/03</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	
<b>Training indicators to be developed</b>						
<b>Diversity In HSE</b>	<b>End Year</b>	<b>2003/04</b>				
	<b>2002/03</b>	<b>(by 2005)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
Progress towards SCS Disability Targets 2005	<b>1.80%</b>	3.70%	1.80%	1.82%		
Progress towards SCS Gender Targets 2005	<b>25%</b>	29.00%	23.20%	23.64%		
Progress towards SCS Race Targets 2005	<b>0%</b>	1.80%	0%	0%		

### Retain and Motivate Narrative

**Turnover rate by the principle 9 disciplines in HSE**

HSE may want the indicator to rise marginally in coming months to encourage numbers of staff across the organisation (in certain groups of staff) to decrease. At the mid-year stage, turnover rates could be expected to be half the likely annual rate, but peaks and troughs have a bigger effect.

The 02/03 Professional and Technical turnover rate was high because of the closure of EECS.

**Training**

Indicators are still to be developed

**Diversity in HSE**

The SCS diversity targets are for 2005. The above figures represent the baseline for measuring this indicator progress will be given in the first quarter

Our targets were set in April 1999 using an analysis of factors such as: the current situation across all job bands; age profiles; likely promotion rates; the effects of increased recruitment activity in attracting ethnic minority applicants, women and people with disabilities; and the impact of awareness raising activities, particularly on the development of staff from underrepresented groups. To these factors we then applied an element of 'stretch' to ensure our targets are genuinely challenging. We will be reviewing the targets shortly when the results of the 2001 population census are analysed.

## **9 Leadership**

**End 2<sup>nd</sup> Quarter 2003/04**

**Indicators are to be developed**

### **Leadership: Narrative**

Although a good deal of activity, we are not yet in a position to measure whether this is having a positive effect (and, the benefits of leadership initiatives take time to come through). Progress to date is as follows: HSE's leadership development programme is up and running. The programme consists of 11 modules and a series of lunchtime seminars on a range of leadership related topics and all HSE's SCS are encouraged to attend. To date, 18 module events and 4 seminars having taken place to, with a further 8 module events and 2 seminars planned for the coming months. We are not yet in a position to say how many SCS have attended these because we are waiting for final numbers from the consultants. The consultants will also supply feedback on satisfaction rates and the Director General has asked SCS reporting officers to use mid year reviews to gather further feedback. The Board plans to discuss feedback from these reviews in November. Around 20 SCS members also attended DWP's "Leading the Vision" leadership programme. DWP are at an advanced stage with arrangements for evaluating the effectiveness of this programme and results should be available early in the New Year.

The 2004 Staff Survey will be used to measure progress on leadership issues. The survey will be run in January 2004 and results should be available in February. As well as the main Staff Survey, a series of three short 6-month surveys (the first in the summer of 2004) will be commissioned. This will be very brief spot checks on progress with key elements of the change programme, including leadership.

## **10 Delivering Change**

**End 2<sup>nd</sup> Quarter 2003/04**

**Indicators to be developed**

### **Delivering Change Narrative**

The Change Programme has moved through a series of phases:

- Pre May 2000, a conceptual phase.
- May-Nov 2002, a design phase.
- Nov 2002 – March 2003, an implementation phase.

(Some individual projects straddle the boundaries. But in terms of the overall thrust of the programme, the descriptors are reasonably meaningful).

The phase from April 2003 has comprised:

- Key transformational change activity aimed at how we interface with the world outside HSE – and building on earlier change work.
- The continuation of change projects on resource allocation, corporate support, and programmes and projects.
- The roll out of the “Ways of Working” workshops.

Progress is broadly as follows:

- A new Communications strategy based on “Augmented”, “Freestanding” and “Through” has been developed; reports on DIAS processes and a benchmark study of strategic communications delivered.
- A Director of Communications is being recruited and a new organisational structure designed.
- New approaches to difficult communication challenges are being developed.
- An SCS Leadership Development Programme is underway – by early September 10 master classes delivered to 38 participants (“sign-up” numbers at this stage only, attendance awaiting confirmation – see Leadership narrative) and 2 seminars run
- The “Ways of Working” workshops are being rolled out across HSE. All directorates are engaged. Where senior managers take ownership of these events and can articulate what change means for staff evaluation evidence shows they are successful. Their impact will be measured in the 2004 staff survey
- A Programme and Project capability has been set up in SID; and the programme approach is under development for trialling in October/November

- The Resource Allocation project focused on how resources are allocated to priorities.
- The Change Team delivered benefit management proposals to ensure that we adjust activity to optimise the possibility of realising long-term gains.

In addition completed projects from earlier phases are now starting to bear fruit.

- The Vision, Mission and Aims followed by a Strategy from SID.
- The development of the Core Topic Groups from the Science and Technology project.
- The reform of the sector groups, making them an HSE wide resource and gearing their structure to the modern economy.
- And much more.

In many ways, the Change Programme will ultimately be judged by whether HSE has been transformed into a more flexible, responsive and modern organisation that can deliver improved health and safety. There is progress as indicated above. But much depends on delivering the softer transformational changes rather than structural change; that is more difficult, it takes longer and it will suffer if senior management “take their eye off the ball”. That probably suggests an amber rather than green indicator.

11 Applying Science and Technology	End year	2003/04			
End 2 <sup>nd</sup> Quarter 2003/04	2002/03	Quarter 1	Quarter 2	quarter 3	quarter 4
<b>Implementation of Guidance from the Chief Scientific Adviser (CSA), including Guidelines 2000 and the Code of Practice for Scientific Advisory Committees</b>					
(i) Annual reports of reviews of at least two major policy development processes to assess how well Guidelines 2000 have been implemented.		(G)	(G)		
(ii) Numbers of staff, especially policy staff, attending training on Guidelines 2000		(A)	(A)..		
(iii) CSA satisfied with HSE implementation of his Guidance.		(G)..	(G)..		
% of spend on work assessed as high priority by the S&I Blocks.		(A)..	(G) research 67% support 65%		
% of projects where S&I Blocks can demonstrate a link between their commissioned research/scientific support and policy/operational outputs (eg in guidance, legislation, or other activity).		(A)..	(G)..		
% of projects where it can be shown that the output of commissioned research and support has made a significant contribution to improved H&S outcomes		(A)..	(A)..		

### Applying Science and Technology Narrative

#### Implementation of Guidance from the Chief Scientific Adviser (CSA), including Guidelines 2000 and the Code of Practice for Scientific Advisory Committees

The review of scientific advice is ongoing and is to be discussed at the SISC meeting in December

- (i) Outcomes of reviews discussed with S&I co-ordinators and policy contacts. A need for better identification of special
- (ii) -+t advice has been highlighted

- (iii) (ii) work on training for guidelines 2000 is to start in quarter 4. This is due to staff resource issues.
- (iv) Preparative work is underway for the forthcoming OST audit of HSE's S&I provision. This audit is a major external scrutiny of HSE's science and compliance with guidelines 2000 is one of 10 key areas to be examined. CSU is examining the present position on all the areas to be reviewed and will prepare an action plan setting out work to remedy any identified weaknesses.

**% of spend on work assessed as high priority by the S&I Blocks.**

CSU has met with S&I co-ordinators to agree standards and consistency in recording this PI. It was agreed that the target value cannot reach 100% for two main reasons: 1 There is a need to undertake a significant proportion of foresight and horizon scanning work that cannot be directly linked to HSE's immediate operational business objectives. 2. There is a proportion of work that HSE is required to do by Statute that is not recognised as 'high priority'. It was agreed that the following values be applied to signify red, amber and green performance, given that a target of 70% of spend on high priority was agreed as an optimum figure: <50% red, 50-65% amber, 65-75% green. Based on these indicators performance is presently just in the green sector.

**% of projects where S&I Blocks can demonstrate a link between their commissioned research/scientific support and policy/operational outputs (eg in guidance, legislation, or other activity).**

CSU/SIC's have agreed that this PI should also be recorded as proportion of spend rather than proportion of projects. Current implementation of the S&I evaluation protocol involves the introduction of a revised project record which will ensure that robust information is captured to report against this PI. Until this revised system is fully implemented, the existing Post project evaluation (PPE) is continuing and used to inform the PI. Data collected from PPE's undertaken from March 2003 show that 92% of projects met their objectives by more than 75%. 71% of evaluated projects were considered by the HSE customer to be of immediate use to operational or policy work. Of this 22% will directly link to policy, 28% to standard setting, 42% to guidance and 14% to regulation. Performance is green

**% of projects where it can be shown that the output of commissioned research and support has made a significant contribution to improved H&S outcomes**

CSU/SIC's have recognised that the scale of HSE S&T activity and timescales involved in S&I impacting on H&S outcomes means that this PI can only be addressed practically through a sampling approach, and that reporting on this PI on a quarterly basis is not appropriate. The PI will be informed from information and data gathered from HSE impact evaluation projects and CSU case studies of selected projects. These are undertaken on a rolling programme. Therefore this PI will be reported on in the quarter immediately following completion of an impact evaluation study or CSU case study, but not less than annually. A target value can only be set once a sufficient body of reliable data is collated from evaluations. There is presently an ongoing impact evaluation of HSE standards work, of which S&I plays a significant part. The outcome of this will form a baseline for monitoring subsequent progress against this PI until a target value can be set. The continuous improvement criteria will be: red = no data collected or marked decline since previous measure, amber = no significant change from previous measure, green = improvement from previous measure.

12 Business Improvement	End Year	2003/04			
End 2 <sup>nd</sup> Quarter 2003/04	2002/03	Quarter 1	Quarter 2	Quarter 3	Quarter 4
%age of D/Ds with a significant and balanced business improvement programme		(A) 82	(A) 82		
%age of strategic projects hitting key milestones whilst in development					
%age of strategic delivered projects hitting benefit milestones					
Overall "benefits" collated expressed as a %age of administrative costs equal 5% year-on-year	6.4%				

### Business Improvement Narrative

Although 2 Business Improvement Plans remain outstanding - for CoSAS and RI. COSAS's work to develop the Plan is progressing well and it should be in place in October. It was not possible to obtain BI information from RI before the closing date for submissions. However, RI reported before the Board meeting that it is currently, actively supporting various business improvement initiatives and that the Railway Delivery Programme (RDP) project "**Integration of RI processes**", (currently being scoped) will have a key impact on business improvement for the future.

Regarding indicators 2 and 3 development of a suitable reporting infrastructure has been somewhat delayed by efforts to create a strategic top down element to BI - the Big Picture workshop in September identified 90+ projects currently under way and the list will be scrutinised for strategic value - and a new Business Improvement Board has recently been agreed to and is due to meet next month to begin offering the strategic oversight of BI. This in turn will impact upon the configuration and make up of the current BI contact network. It's hoped that once these changes are bedded in BEU can set in place arrangements to report on the indicators.

### **13 Image and Profile**

**End 2<sup>nd</sup> Quarter 2003/04**

**Indicators to be developed**

#### **Image and Profile Narrative**

As mentioned in last quarter's narrative, July to September was when we had a spate of attacking articles in the national press. Simon Jenkins in The Times, Max Hastings and Edward Heathcoat Amory in The Mail and Alasdair Palmer in The Daily Telegraph, wrote quite vitriolic pieces. There were also swipes at us by Jeremy Clarkson in The Sun and Keith Waterhouse in the Mail. Most of these pieces were published in early August.

In response to this we obtained two very good interviews with Bill Callaghan in the Financial Times and the Evening Standard which addressed these criticisms head on and countered some of the wilder allegations. We continue to receive positive coverage in the regional and specialist media. The construction falls from height campaign in particular has achieved some really excellent reporting.

Between early August and the end of September there were signs that the criticism of HSE had gone back to previous, intermittent, levels. There have been several examples of national newspapers ready to write critical articles about us which were not published after we had successfully refuted their allegations.

**14 Trust and Reputation**

End 2<sup>nd</sup> Quarter 2003/04

Indicators to be developed

**Trust and Reputation Narrative**

**(See Narrative for Image and Profile)**

<b>15 Engaging Stakeholders</b>
<b>End 2<sup>nd</sup> Quarter 2003/04</b>
<b>Indicators to be developed</b>

## Engaging Stakeholder Narrative

In the second quarter stakeholder activity has focussed on the development of the HSC Strategy and on a succession of initiatives with individual stakeholder groups – details below.

### Development of Strategy

#### June-August 2003

- traditional written consultation among HSE's usual stakeholders, including trade unions, trade associations and the 'top 350' companies;
- regional events facilitated by HSE's Regional Directors and the Directors for Scotland and Wales;
- a small number of targeted focus groups among traditionally 'hard to reach groups' such as non-unionised workers and small firms;

#### Individual stakeholder initiatives:

##### *"Joined-up Government" / OGDs*

- - HSE Public Sector has been working with Home Office to influence Prison Service's national health and safety arrangements – also with DWP and Job Centre Plus on development of robust health and safety management systems;

##### Railway Policy/"Cullen" have been working with:

- **the Office of the Rail Regulator** on its Interim Review of Track Access Charges (the Review will set the basis for funding Network Rail's expenditure for the next five years) to ensure that proposals arising from the Review take account of the need to protect all persons from dangers arising from the operation of the railways.
- **the Strategic Rail Authority** in its work to examine options for the future utilisation of the rail network. In both cases HSE's concern is to ensure that related risks are properly and proportionately managed by Network Rail through its safety case.
- **the Department for Transport (DfT)** and **the Cabinet Office** in taking forward HSC/E's rail health and safety agenda, as set by the Public Inquiry recommendations, and explaining HSC/E's approach and decision-making.

#### **'Social Partner' initiatives (employers/ workers and safety representatives/ trade unions)**

- Ongoing '350 visits' by Chair and DG, to promote health and safety reporting by top 350 and their involvement as key intermediaries
- HSE/BREB Investigating the benefits of introducing national account manager (NAM) arrangements for major companies
- Agriculture & Food Sector – development with social partners of a strategic agreement on vocational qualifications tailored to meet farmers' needs – also development of interactive self-assessment software for farmers
- Construction Sector – extensive stakeholder engagement in support of Construction Priority Programme and key risk projects – incl. Asbestos, MSD, Falls from Height and Slips, Trips and Falls;
- Manufacturing Sector – engaging companies in a wide range of targeted accident and ill health reduction programmes in Glass, Quarries, Paper, Rubber and Shipbuilding).

**HSE's stakeholder engagement activity is accorded an amber light on the basis that it is 'recoverable with effort'** - indeed, it must be recoverable, because effective engagement is key to the success of the HSC Strategy. Specifically, stakeholder initiatives scheduled for the coming months include the following:

**The occupational health support network** - In keeping with the HSC Strategy, the focus of much of the work with stakeholders will be on health. We will develop innovative partnerships in both the public and private sector to extend the provision of occupational health support (e.g. through the local public health network and industry-sponsored schemes). We will also maximise synergies with the Department of Health and DWP on the wider 'Health, Work and Recovery' agenda. Influencing channels to small firms (Small Business Service, Business Links) will be critical to raising awareness and stimulating demand

**Employers** - We will continue to work for the inclusion of health and safety as a mainstream item on boardroom agendas - eg, by: visiting and working with the FTSE top 350 companies; investigating the benefits of 'national account manager' arrangements for major companies

**Workers and safety representatives** - following £3m Govt funding for a new 'Challenge Fund', to extend the successful Workers' Safety Adviser pilot scheme, we will work with unions and employers to extend workplace safety advice in small and medium size businesses

**The insurance industry** - we will continue our work with DWP, under their review of Employers Liability Compulsory Insurance (ELCI), to deliver on health and safety objectives shared by Govt, HSC/E, and insurers alike

**Devolved administrations** - In Scotland, we will build on the success of the 'Working Backs Scotland' and 'Safe and Healthy Working' initiatives, and in Wales, on that of the HSE-NHS Wales 'Manual Handling Passport Scheme'

**Local Authorities** - We are conducting a strategic review and consultation to decide the proper balance between LA and HSE local v central interventions

**HSE intermediaries database** - on the technical front, we are developing a new 'intermediaries database' – to go live by end 2003/04 – a web-enabled facility which will support more strategic HSE working with key stakeholders'