

### Annex 1 – Table of Actions

i) Reduce CTG proactive core work up to 20% by April 2005 and redirect resource to delivery of strategic programmes. This reduction is an overall target across the CTGs. Changes in each CTG would be agreed between the Chief Scientist and the directors of the CTG's Home Directorate
ii) Directors to review plans for work on sector standards and guidance with a view to reducing the S&T resources involved in this work by 20% in 2005/6. The baseline will be the 2003/4 (August 2004) level.
iii) All proactive core work to be done under a formal customer-contractor relationship, where the customer is either a Strategic Programme Director (SPD) or the Chief Scientist (CS).
iv) A study is done to identify what is required to provide the necessary public reassurance for the major hazard sectors through the main MHD permissioning/licensing regimes. This review would be completed by October 2004 and led by the MHD SPD.
v) A second study would use the outcomes to review the breadth and depth of specialist involvement in the assessment and inspection processes of the MHD. Review to be completed by April 2005.
vi) FOD and the non-major hazard strategic programmes to maintain current S&T resource levels over the SR2004 period.
vii) A cross directorate project led by the Chief Scientist to specify the competencies (knowledge, skills and experience) needed by sector specialists, broad topic specialists and deep topic specialists (October 2004).
viii) A project is undertaken under the auspices of OMF to review and re-engineer the business processes in MHD so that they are as similar as possible, and to ensure that only deep topic, broad topic and sector specialists undertake work that only they can do
ix) Agree to the objective of having all topic specialists organised in common pools by April 2007
x) A review identifying models for proposed organisational pools. In parallel pilot studies should be undertaken over the next 12 months to test the feasibility of the broad topic specialist pool model. Possible candidates are: <ul style="list-style-type: none"> <li>• HID pooling one or more of its broad topic specialisms (eg fire and explosion, control and instrumentation) and providing resources from that pool to all of its divisions. The process safety specialists in FOD RSG</li> </ul>

should transfer to HID which should then take responsibility for providing all process safety support to FOD and the non major hazard programmes (August 2004);

- As (i) above where the customers for the resource pool to be extended to include one or more divisions in FOD, a division in NSD and a division in RI. The candidate broad topic specialism should be relatively narrow eg control and instrumentation.
- The human factors team being set up in HID should serve all the operating directorates. HF specialists in NSD and RI should transfer to this group (August 2004).
- The small occupational health specialist team in HID should transfer to FOD (August 2004);
- Creating topic pools in noise and vibration, and radiation.

As the Major Hazard Strategic Programme develops cross cutting issues should be selected for implementation in all the MHD by single project teams.

xi) For a trial period of 2 years the budget of each ODD should be reduced by 20% of the money currently spent in the directorate on the single most intensively used type of in-house deep topic specialists. This money should then be put into a fund from which directorates can draw to purchase external expertise as needed. (Trial to commence April 2005)

xii) The Board is invited to comment on these options and provide a steer on which one should be pursued and how quickly.

xiii) If the Board choose option (ii) the Chief Scientist should prepare a "specification note" describing and distinguishing the work that HSL should do and that which should be done by in-house specialists. Deviations from this specification should only be allowed in exceptional circumstances and with the agreement of the Chief Scientist, the Chief Executive of HSL and the Chief Finance Officer. (July 2004)

xiv) The Chief Scientist should prepare a protocol for making decisions about the allocation of S&T resources for the production of generic or sector specific good practice standards/guidance (July 2004).

## **Annex 2 – Key Messages From The Workshop**

### **STRATEGIC MESSAGES**

- I. The drivers for determining S&T resource requirements are the needs of the Strategic Programmes and Core.
- II. The broad business model consisting of 3 business groups; Major Hazards, the other Strategic Programmes, and Proactive Core is a pragmatic description of the internal markets for S&T (mandatory core is seen as underpinning the Strategic Programmes).
- III. Increased flexibility in the deployment of S&T resource is needed to manage future business uncertainties (optimise resources).
- IV. A number of institutional barriers represent a major impediment to increasing flexible use of S&T.
- V. The role of HSL should be enhanced, particularly with respect to corporate work, but not fundamentally changed.

### **STRATEGIC MESSAGE 1**

The drivers for determining S&T resource requirements are the needs of the Strategic Programmes and Core.

- Needs not yet established because still in the early stages of Strategic Programme development.
- Some further fundamental analysis is required to support the process:
  - We need to understand better the deployment and roles of S&T (e.g. discipline verses sector, technical verses non technical);
  - Full economic cost information is needed to manage priorities.
- Significant weakness in corporate governance of core work:
  - Lack of strategic oversight of proactive core
  - Strategic oversight for mandatory core should be provided by OMF
- Strategic Programme Directors and programme managers require more help to understand how S&T can contribute to programme delivery:
  - S&T community should participate in the development of the Strategic Programmes from the beginning (e.g. evidence base)
  - CTGs should acts as advisers to the SP managers for the S&T community to identify where this support can be obtained.

### **STRATEGIC MESSAGE 2**

A broad business model was agreed as a pragmatic description of the internal markets for S&T to support the Strategic Programmes and the proactive core (mandatory core is seen as underpinning the Strategic Programmes).

- The business groups have different S&T needs.
- Strategic Programmes should largely determine the size, make-up and disposition of S&T resource but the business model framework allows broad judgements for an initial overall allocation of S&T to support the Strategic Programmes and core.
- Amount of resource on proactive core may provide scope for some re-distribution:
  - This would impact on the amount of corporate standard and advisory work
- Mandatory core:
  - To bear down on reactive work would require changes to OD processes
  - Contributes to programme outcomes
- MH group:
  - HMRI legislative change may release some deep topic specialists
  - HID want to change ratio of Regulatory to Specialist Inspectors but see no change in total S&T demand
  - NSD seeking additional staff from work demands

### **STRATEGIC MESSAGE 3**

Increased flexibility in the deployment of S&T resource is needed, if we are to manage future business uncertainties (optimise resources).

This may best be achieved through identifying base load requirements and using external resources to supplement these for peak shaving and one-off demands.

- There is only value in using external resource to deliver mandatory core where HSE does not have the expertise in house and we are prepared to pay the large management overhead.
- Undertake business analysis and process engineering to ensure sector and topic specialists only undertake work which can only be done by them.
- In order to be more flexible we need new tools and methodologies to:
  - Differentiate between what is topic expertise and sector expertise;
  - Meet predicted base-load with internal resource; tools are needed to determine what is the base load
  - Need to identify the categories of work and competencies that can only be delivered in-house and develop criteria for the use of HSL and external resource;
  - Determine when to buy in resource to meet peak in long-term commitments and requirements to service “one-off” demands;
  - Need to establish long-term partnerships with external suppliers.
  - Free up some resource by reducing management burdens on Band 2 specialists.
- Freeing up an internal market:
  - pools; the medical resources review has indicated that the SMIs/MIs should be managed as a single pool, others may be based on the S&T COPIs
  - critical mass (e.g. essential knowledge management, capability to respond to incidents, maintenance of intelligent customer role, career structure for

essential areas, reputation management) is important; need to ensure a critical mass for scarce disciplines.

- Future S&T recruitment should be based on needs of Strategic Programmes and core rather than individual D/Ds:
- the recruitment of deep sector/topic specialists needs to be a corporate HSE decision.

#### **Strategic Message 4**

A number of institutional barriers were identified as a major impediment to increasing flexible use of S&T

- Premium pay
  - Seen as the major barrier
  - Real willingness to tackle this
  - Business issue – not for PD alone
  - May require a long term strategy
- Geography
  - Business need should be paramount and this needs to be reflected in our personnel policy
- Cost Recovery can be unhelpful to the alignment of resources to strategic priorities, although it can help in maintaining the critical mass of knowledge.
  - Review width and depth of work done on charging regimes to meet agreed policy requirements e.g. MH to provide acceptable levels of public reassurance?
  - Can be seen to insulate groups from strategic pressures
  - Can maintain non-priority work

#### **Strategic Message 5**

The role of HSL should be enhanced, particularly with respect to corporate work, but not fundamentally changed.

- No significant benefit for transfer of Specialist Inspector role to HSL because it would fundamentally alter the characteristics of HSL which is primarily research and research-based support including forensic support.
- Increase role for: level 3 type work, intelligence gathering, standards (more focused), codifying.
- Major role in support of LAs.

**Table 2: Arrangements for the provision of S&T outputs**

Output	Principal Customer <sup>1</sup>	Primary Providers	Secondary Providers
<b>Level 3</b> – Largely Proactive Core work, but also work to support the Strategic Programmes (eg cross-cutting – scientific advice, standards, guidance, research & horizon scanning)	Policy Group, ODD	CTG (including BWED), HSL, CoSAS	ODD
<b>Level 2</b> – mostly sector specific Strategic Programme/Proactive Core work (eg sector standards, guidance & research)	ODD	ODD, Contractors	CTG, HSL
<b>Level 1</b> – Front line assessment, inspection (Strategic Programmes) and investigation work (Mandatory Core)	ODD	ODD, HSL (forensic)	Contractors, CTG's

**1. Under the Strategic Programmes the SP Director is the ultimate customer for all outputs (except possibly for investigations) but in practice these are more specific customers below the SPD.**

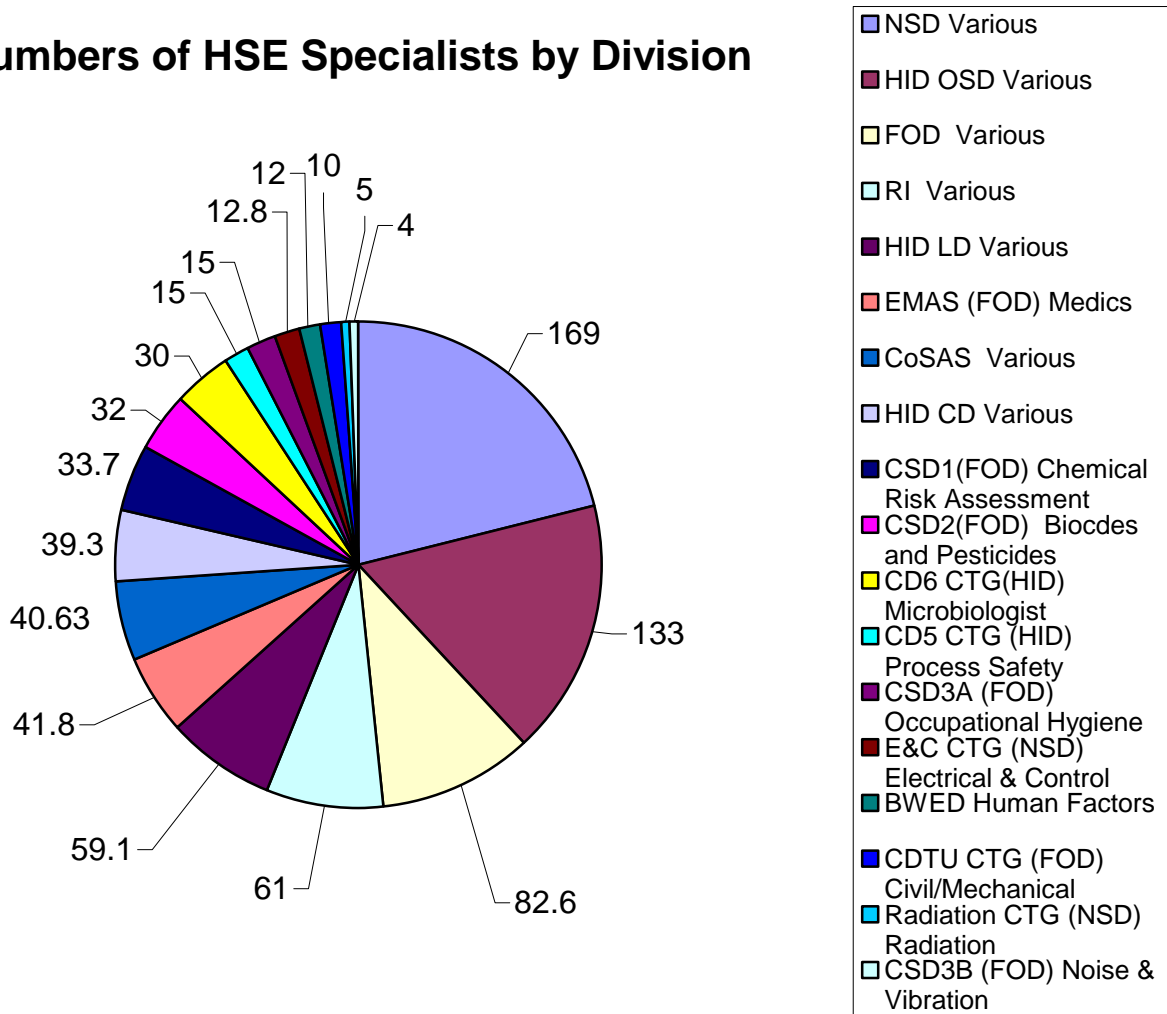
### Annex 4 – S&T Resources

#### NUMBER OF SPECIALISTS BY DISCIPLINE AND LOCATION

The total number of discipline specialist in HSE as identified by the relevant divisions at June 2003 is 790. A break down of the discipline specialists is shown:

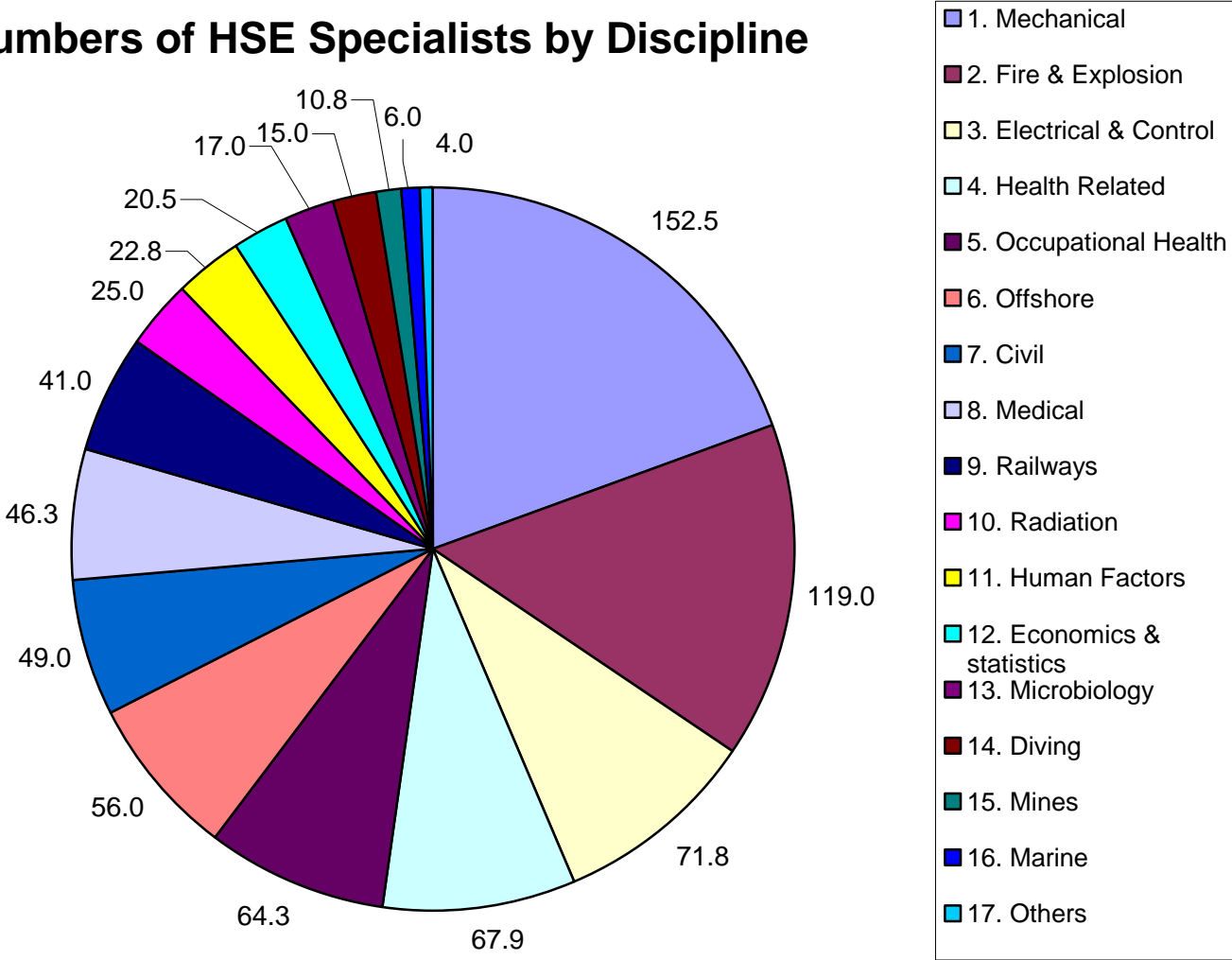
##### 1. By division

#### Numbers of HSE Specialists by Division



2. By discipline

**Numbers of HSE Specialists by Discipline**



## Annex 5 – Current Use of S&amp;T Resource

	STRATEGIC PROGRAMMES					CORE	
	1	2	3	4	5	6	7
	MAJOR HAZARDS	HAZARDS...	SECTORS...	LA PARTNERSHIP	OH SUPPORT SYSTEM	MANDATORY	PROACTIVE
Primary users of S&T	MHD/HSL	FOD/HSL	FOD/HSL	FOD/LA	POLICY, CTG	FOD/HSL	CTG/CoSAS/HSL
Other Users of S&T	Policy, CTG	MHD CTG Policy LA	CTG Policy LA	CTG OPD	FOD, LA	MHD, LA	Policy
Balance of S&T provision	S >> H	H ≈ S	H ≈ S	H ≈ S	H >> S	S > H <sup>1</sup>	H > S
Approximate HSL Resource	20%	30%			-	40%	10%
In-House S&T Resource	450 (57%)	110 (14%)			<10 (<2%)	130 (16%) 98 (12%) <sup>1</sup>	90 (11%)
(Staff years/% of total)	570 (72%)					220 (28%)	

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<sup>1</sup> Excludes Biocides and Pesticides

