

Health and Safety Executive Board Paper

Meeting Date:	7 July 04	Open Gov. Status:	Fully Open
Type of Paper:	Miscellaneous	Paper File Ref:	
Exemptions:	None		

HEALTH AND SAFETY EXECUTIVE

The HSE Board

The DIAS Review -

Proposals for Publicity, Publications and Internet/Intranet services

A Paper by Heather Bolton and Kären Clayton

Cleared by Vivienne Dews on 1 July 2004

Issue

1. To note the decision taken by the main Budget Holders on 16 June 04 and provide views on the way forward for Publicity, Publications and Internet/Intranet services.

Timing

2. The Board received an update on progress on 4 February 2004 (B/04/006) and 19 May 2004. We committed to return with proposals to the July Board.

Recommendation

3. The Board are invited to:

- 3.1. Note the decision made by the main Budget Holders that HSE should take an evolutionary approach to the transformation of DIAS into Communications Delivery Services (CDS), without further significant outsourcing.
- 3.2. Note that the DIAS Review is now completed and work to transform DIAS will be taken forward in the CDS Implementation Project.
- 3.3. Offer views on the main aims and next steps in the CDS Implementation Project outlined in paragraphs 7 and 14.
- 3.4. Note the plans to run a joint project between CDS and Communications Directorate (CD) with independent consultancy support from CMGLogica. The project will clarify how the communications planning processes, information sharing, budget management and relationships between CD/CDS, Communications Partners and the rest of HSE should develop – see paragraph 7.

Background

4. The first phase of options from the DIAS Review were agreed at the Board on 4 March. This included transferring Library and Information Services and Records

Management to BSD, the European Focal Point to International Branch and the Forms Unit to BEU (the Press Office had already transferred to CD in January). All these changes were implemented by April. Work began on devising options for the remainder of DIAS (publications, publicity and internet/intranet) at the beginning of March.

5. It had originally been intended to return to the Board in May with interim proposals, however, brief feedback only was given to the Board on 19 May. A main steer was sought from Budget Holders at their meeting on 16 June. The Budget Holders agreed that the case for transforming and streamlining current services, rather than pursuing further outsourcing options, is strong. A copy of the note to DIAS staff detailing the outcome of the discussion is attached at Annex 1.

Argument

6. Work has already begun on streamlining services. The main objectives are to support achievement of HSE's Communications Strategy by providing:

- A faster **more efficient** delivery service;
- **A flexible service** delivering across various communications channels, responsive to changes in demand;
- A service that is also focused on an agreed **Commercial Strategy** to secure around £5 millions income annually for HSE.

The Way Forward

7. Our main aims are as follows:

- to implement the main structural changes and launch the new CDS on 4 October 2004. A high level structure for the reorganisation is attached at Annex 2 (some of the staffing issues may not be resolved for some months as we explore options and alternatives for individual post holders);
- to initiate a joint project between CDS and Communications Directorate (CD) to clarify how the communications planning processes, information sharing, budget management and respective roles should develop. The project will include how spend is managed, how CD and CDS interface with each other, Communications Partners and the rest of HSE and identify what is the most appropriate model to manage the customer interface. Interviews will be required with key personnel in CD, CDS with the Directors of RPD and CD, a sample of communications partners, relevant staff in PEFD and some key customers.

The conclusions may well have an impact on the overall structure within CDS and may also mean additional resources are needed in CD to provide a robust customer interface role. We will take the project forward jointly with the addition of independent consultancy support from CMGLogica. A firm timescale is still being sorted out but the project should start by the end of July;

- to develop and implement a new Commercial Strategy to secure £5.1 millions of revenue for the organisation. A Commercial Manager at Band 2 has been appointed and the Commercial Team has been set up. An

outline of the proposed approach for the work is included at Annex 3. Our aim is to agree a new Commercial Strategy by September.

8. An evolutionary approach to streamlining the service will involve a fairly radical transformation of current services to make them more efficient. This would not preclude the possibility of further outsourcing at a later date. We need to be sure we provide the right resources to service a baseline demand so that we can buy in additional services from external providers to deal with peaks in work demand or to acquire skills which do not reside in-house.

9. We are not yet sufficiently clear about the future demand for communication delivery services to be able to predict accurately the future size of CDS. However, there are sufficient indications from the Communications Strategy and the emerging plans that help to indicate where we might currently have an over provision of resources and where we need to expand and change the emphasis of our services.

10. Our understanding of the role of CD, in relation to the delivery of communications activities, is that it will:

- initiate and agree Directorate/Strategic Programme communications plans;
- produce the corporate communications plan;
- direct the communications materials and services that are delivered;
- act as principal customer for CDS services;
- set the quality standards against which communications activities should be delivered.

11. We now have a new communications planning process that will inevitably change and consolidate as lessons are learned from the first round of planning. To meet the demands of the HSC/E Strategy, HSE needs to place significantly different emphasis on the various communications channels and to target different audiences. The research planned by CD for this year will seek to clarify how this will be done. We need to be sure we develop a delivery service that is sufficiently flexible to cope with the changing focus of the Communications Strategy year on year as it rolls forward.

12. Annex 4 summarises the main changes that will be made to re-shape DIAS into CDS to provide a more cost effective service. Work is ongoing at the moment to review the current staffing, and determine the number of posts and bands and the skills needed in the new structure. We will also develop a robust training and development plan for staff in the new delivery service.

13. We are likely to need to reduce numbers in some of our functions and all options will be explored to find posts for surplus staff either within CDS or elsewhere in HSE. However, as we employ a high percentage of Information Specialist staff where similar specialisms do not exist elsewhere in HSE, we may face the real possibility of small numbers of redundancies. We will be liaising closely with Personnel Division and HSE Trade Unions to explore all possible alternatives to avoid redundancies (as in Chapter 8.5.5 of the Staff Handbook).

Summary of Next Steps

14. The next steps are to proceed with the CDS Implementation Project to:

- confirm the new structure for CDS, including numbers of posts and grade mix, by end of August and implement by 4 October;
- manage the impact on individual post holders where jobs are substantially changing or numbers of posts are reducing in consultation with PD and HSE Trade Unions;
- take forward a joint project with CD, together with consultancy support from CMGLogica, to clarify the relationship between CD and CDS and how the two interface with the rest of HSE;
- develop the new Commercial Strategy by September.

Consultation

15. DIAS staff were notified of the Budget Holders' decision via a note circulated on 18 June 04 (see Annex 1). HSE Trade Unions have been kept informed of developments via monthly update meetings and other correspondence.

16. We will be seeking advice from CD on how to manage the launch of the new CDS from 4 October.

Costs and Benefits

17. An implementation plan will be drawn up. The main benefits are improved efficiency and effectiveness and a more flexible service to cope with HSE's changing business demands. This should free some resources for additional communications or other front line activities. Initial staffing plans, with costs, will be produced by the end of July and agreed with the Director of RPD. These will be firmed up during August.

Financial/Resource Implications for HSE

18. The financial allocation and staffing profile for DIAS in 2004/05 will be used as the baseline for any proposed changes. Overall, the numbers of staff in DIAS are likely to reduce, although there will be expansion in some areas to cope with additional work demands.

Action

19. The Board is asked to note the paper and offer views on the implementation phase.

Note to DIAS Team Leaders Following Meeting with Executive/Budget Holders on 16 June

Dear All

Please note and cascade to your teams

1. Just a brief note following the discussion Karen and I had at the budget holders meeting on Wednesday re the DIAS Review (attended by Vivienne Dews, Timothy Walker, Paul Davies, Kate Timms, Justin McCracken and Colin Douglas).

2. We asked for a steer on two fundamental questions:

Should all of communications delivery services be outsourced immediately to external providers? or

Should HSE retain a core of in-house service providers, supported by contract agreements with external providers to handle peaks in demand or work where skills do not reside in-house?

3. We also asked the Executive to consider whether to offer, if necessary, an appropriate early retirement/severance scheme over the next 1 to 2 years and to offer views on whether funding could be made available.

4. We had given the following recommendation in the note to the meeting:

"We recommend the Executive agree that HSE should take an evolutionary approach to the transformation of DIAS, without further significant outsourcing, as follows:

- Renaming DIAS to become the Communications Delivery Services (CDS);
- Retaining a core of in-house communications delivery service providers delivering to quality standards laid down by Communications Directorate;
- Re-organising to offer more efficient levels of service, better project management and coordination across communications activities, ensuring the in-house capacity is fully utilised;
- Reducing in size to align with the foreseeable basic demands, using external providers to handle peaks in work; The decision on when and what to outsource resting with the head of CDS (in consultation with the Director of Communications);
- Re- training staff to undertake different ways of working with some significant changes in responsibility."

5. I am pleased to let you know that the budget holders agreed that we should not pursue further major outsourcing at this time. Instead, they agreed we should retain an in-house service, albeit smaller and differently shaped. They accepted that we could not yet confirm the final structure for CDS as this needs further discussion with yourselves and staff. The budget holders agreed we need a flexible in-house

service where fewer people will be involved in producing publications; we need to shift emphasis to web services and expand in this area; we need to review the structure for campaign management, print and distribution services and we need to continue our work in reviewing admin and contract management functions. We still need to do some work on clarifying the relationship between CDS and Communications Directorate (CD) and how the communications planning processes, information sharing and respective roles should develop. This will clearly have an impact on our overall structure within CDS.

6 Whilst we can't yet rule out the possibility of redundancies the budget holders agreed that we should do all we can to avoid them. This is seen as a last possible option, once all other options have been explored. As we now start to put together plans for the staff and bands that we need within each of the teams in CDS we will need to talk to individuals whose posts will be affected about their preferences and the options available. We can then explore the various alternatives, firstly trying to secure redeployment elsewhere in CDS or HSE.

7. We will present a further paper to note to the HSE Board on 7 July outlining our plans for the transformation of DIAS. This will include information on the next steps and our initial plans to secure our income generation. Once we have been to the Board on 7 July this will draw to an end the formal DIAS Review. We will then move into implementation of the new CDS.

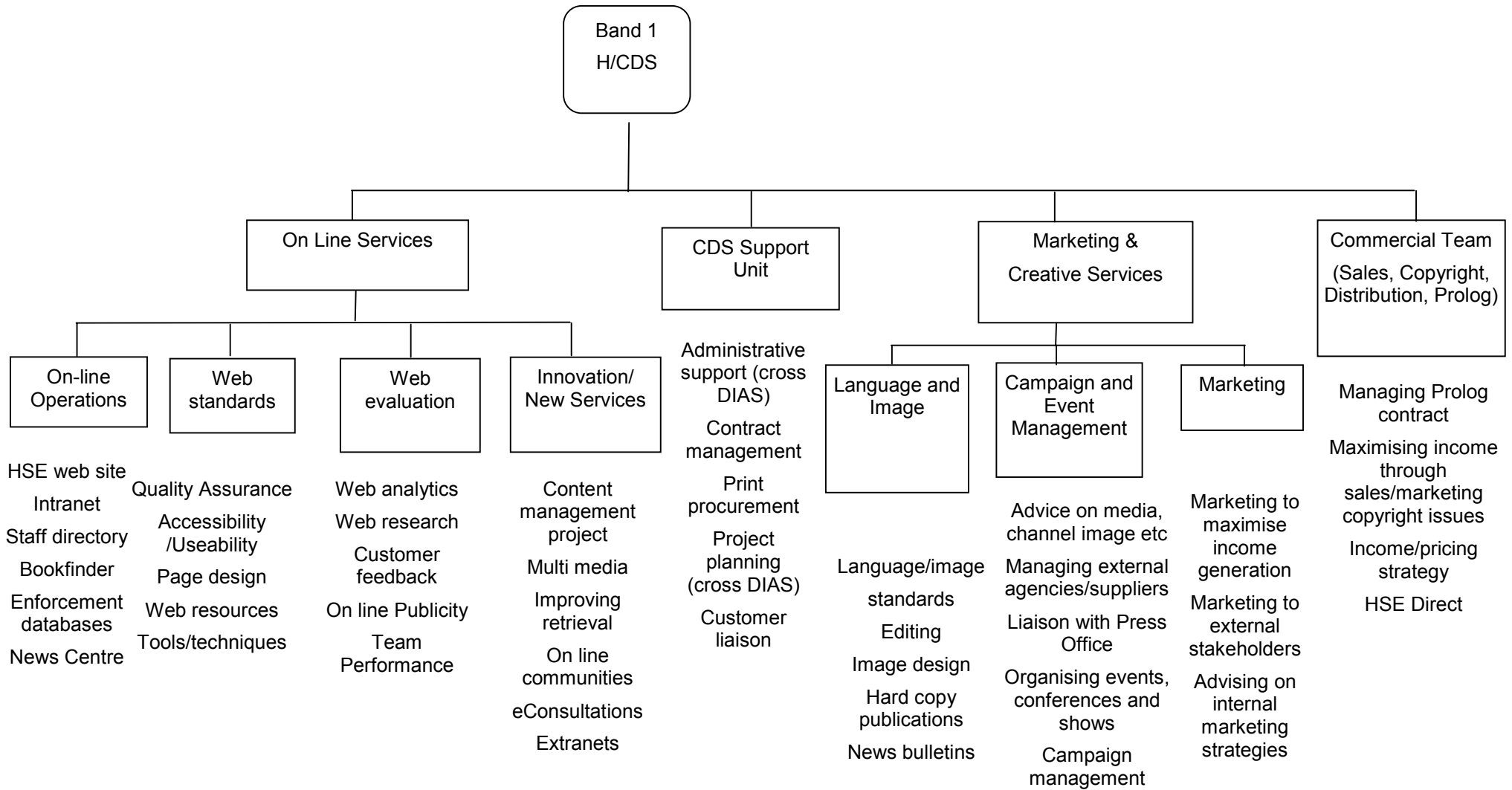
8. **Vivienne Dews is coming to DIAS on 22 June at 3pm to talk to staff. We have booked the lecture theatre in Room 1103 Daniel House. Please encourage all your staff to attend. It is an opportunity to hear about the next phase of the work and to ask questions.** As the main decision to retain an in-house service has now been made, we have cancelled the visit Vivienne was planning to make on 9 July following the Board meeting (meeting at 10.30am with B2s and 3s in 1102). I will still go ahead with the meeting at 10am with Team Leaders to update you on the Board meeting.

Please get in touch if you have any questions

**Heather
Ext 4045**

PROPOSED STRUCTURE FOR COMMUNICATIONS DELIVERY SERVICE

ANNEX 2



Commercial Team

Background

1. It has been agreed by the HSE main budget holders that DIAS should establish a Commercial Team in order to help ensure that some £5.1 millions of income are generated in the current financial year (2004/05) and the SR 2004 years (2005/06, 2006/07, 2007/08) from the sale of priced publications.
2. The Commercial Team will also manage the HSEdirect contract with Lexis Nexus (formerly Butterworth Tolley) to at least maintain the current level of income of £180k during each of the current and three future years.
3. The new HSE Communications Strategy places more emphasis on using the web as our primary source of communication. As a result, sustaining the current priced portfolio of over 1500 hard copy products, together with nearly 700 free hard copy publications, does not make good commercial sense. As a result, a Commercial Manager was appointed on 21 June to develop a new Commercial Strategy and implement a transition plan to allow a planned migration to agreed new procedures.

Proposed approach

4. Work has already started on two fronts. The first is to review the basis on which HSE is permitted to charge for priced publications. This includes the requirements stated by HMT and the last Quinquennial Review of HSE.
5. The second is the reviewing HSE's current portfolio of priced publications by type. (e.g. Health and Safety Guidance, Approved Codes of Practice, Legal series, Guidance Notes, Methods for Determination of Hazardous Substances etc.). This work is looking at the past demand in terms of the number of units sold of each product line, within each type, and also the associated income. The historical information used will span the three prior years (2001/02, 2002/03, 2003/04).
6. The outcome will be a recommendation as to which publications types should continue to be charged for, and which should be made available free of charge through the HSE website. The aim is to reduce the number of priced publications and make more information freely available on the web. The strategy will address the following issues:
 - the volume and value of sales;
 - how the particular publication type meets the guidance for charging;
 - suitability of the current publication types with comment on whether a re-casting is necessary;
 - a procedure for identifying new products that have the potential to generate income for the organisation
 - recommendations on the treatment of requests for new priced publications to be produced in terms of the scope of content, production costs and anticipated volumes of sales;
 - proposal for an outline strategy for consolidating ranges of existing titles into single priced publications;
 - how to manage the transfer of information from hard copy to the web. This will include the management of copyright issues and dealing with some possible concern raised by those who have previously purchased a publication which is now to be made available

free of charge. It will also include Identification of those priced publications which have very low demand with a plan to withdraw, revise or migrate to the web;

- production of sales/marketing plans based on the remaining portfolio and new products to generate the required level of income;
- implementation of more rigorous procedures to manage stock levels and working capital;
- taking account of royalties generated via Click Use licences.

7. A proposed strategy will be prepared by the end of August for presentation to Heather Bolton, Head of DIAS (CDS), Colin Douglas, Communications Director, Vivienne Dews, Director RPD for consideration.

Other issues

8. The manager of the Commercial Team will also be responsible for ensuring that the Prolog contract is managed effectively and that the contractor has necessary arrangements in place which will avoid NAO criticism, previously voiced to HSE, on issues concerning the management of stock and income.

9. The Commercial Team will also manage down stock levels, in discussion with PEFD, and establish criteria for determining print runs and stock levels. In general terms the goal will be to carry not more than 6 months stock of a particular item at any one time. Steps will also be taken to move a large number of priced publications to a 'print on demand' basis.

Summary

10. The role of the Commercial Team is to work to achieve specified financial targets, whilst reducing HSE's portfolio of priced publications and managing down stocks. The Unit will review which publications are no longer required and move those that are to be no longer charged for the web. The Unit will also transfer significant numbers of priced publications to a print on demand basis.

NEW CDS STRUCTURE SUMMARY OF MAIN CHANGES

1. The following changes are planned (some of which have already started):

- Introduction of an effective project planning system across DIAS to manage projects/resources;
- Introduction of streamlined access into DIAS for customer contacts (this is an interim proposal which will adapt following the outcome of the joint CD/CDS project);
- Removing duplication of functions within different DIAS teams, eliminating inconsistent practices, more cross team working; streamlining inconsistent procurement policies and brigading functions more efficiently to deliver;
- Greater emphasis on web for publishing HSE advice/guidance and far fewer hardcopy publications;
- An appropriate focus on our commercial strategy to secure income generation and drive down costs of managing the current portfolio;
- Reviewing content of posts to ensure processes are handled at the appropriate grade.

2. The following summarises the changes across each of the teams in the new CDS structure:

On line Services

The current structure of the internet/intranet team will change and the service will expand to meet the new demands in the Communications Strategy to place more emphasis on web-based services. The main aims are to:

- agree a new Online Strategy;
- adopt agreed standards across all HSE's sites and services;
- reorganise the Intranet;
- implement new services (e.g. Communities, DG's Website and Staff Directory);
- manage and maintain existing content;
- raise awareness of HSE Online internally and externally;
- ensure appropriate training is available for HSE staff;
- ensure sites and services are routinely evaluated.

CDS Support Unit

This function does not currently exist. The main aims are to:

- introduce project management capability into CDS for planning, resourcing and monitoring communications activities;
- provide a more effective point of contact for customers;
- brigade administration and contract management services from across DIAS into one team;
- brigade print functions from the Print Unit and DIAS 2 and 3 into one more cost effective service.

The work of the team is likely to change depending on the outcome of the joint project with CD. An interim structure will be put in place initially but is likely to change later in the year.

Marketing and Creative Services

Designers, editors, campaign and event management, sales and marketing will be brigaded into one team.

The aims include:

- reducing the number of hard copy publications;
- introducing the outcomes of the Brand Review;
- providing design and editing expertise across all media (not just hard copy publications);
- expanding our copy writing expertise;
- re-focusing marketing and sales effort;
- reviewing demand for campaigns and events in line with Communications Strategy.

The new team structure will allow closer integration of the various services.

Commercial Team

The Commercial team was set up on 21 June. The aims include:

- developing a Commercial Strategy
- developing and implementing a new pricing policy;
- managing the Prolog contract and HSEdirect subscription service;
- maximising our income through sales and marketing;
- implementing revised procedures for managing stock levels and introducing new procedures for revisions and reprints.