

ANNEX 1 to HSE/04/22

HSE Balanced Scorecard

Delivering the Mission

1) Delivering Planned work

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

2) Delivering PSA1

R	G	G	G	G
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3) Delivering PSA 2

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

G	G	A	A	G
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Managing Resources

5) Living within the Budget

A	G	G	G	G
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6) Allocating resources to priorities

G	G	G	G	G
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7) Recruit

N/A	A	G	A	G
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8) Retain and motivate

G	G	G	G	G
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Continuous Improvement

9) Leadership

End 02/03	Quarter 1	Quarter 2	Quarter 3	Quarter 4
N/A	A	A	R	R

10) Delivering Change

G	A	A	A	G
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11) Applying Science & Technology

N/A	A	A	A	G
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12) Applying Business Improvements

G	A	A	G	G
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Reputation

13) Profile & Image

N/A	A	A	A	A
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14) Trust & Reputation

N/A	A	A	A	A
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15) Stakeholder engagement

N/A	A	A	A	A
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X = NO INDICATORS YET DEVELOPED.

1 DELIVERING PLANNED WORK	HSE	HSE	FOD	FOD	HID	HID	RI	RI	NSD	NSD
End 4th Quarter 2003/04	Plan	Outturn	Plan	Outturn	Plan	Outturn	Plan	Outturn	Plan	Outturn
<u>OPMA</u>										
Number of safety cases etc* processed	*	*			273	208	N/A	134	440	336
Number of safety cases etc* processed to time and quality standards					273	206	N/A	123	361	257
% safety cases etc* processed to time			100.00%		100%	99.04% (G)	100.00%	91.79% (A)	100%**	76.49% (A)
<u>OPMC</u>										
Total number of complaints reported				23,241	447	431	N/A	728		4
Total number of complaints followed up				21,448	402	412	N/A	664		4
% complaints investigated			90.00%	92.3% (G)	90%	95.59% (G)	100.00%	91.21% (A)	90%	100% (G)
<u>OPMD</u>										
Total number of (incidents) reported					2,034	5,194	N/A	4,967		84
Total number of (incidents) that meet HSC criteria				4,474	500	494	N/A	453		84
Total number of incidents that meet criteria and were investigated				4,271	485	482	N/A	453		82
% incidents that met HSC criteria investigated***			95.00%	95.46% (G)	95.00%	97.57% (G)	95.00%	100% (G)	95%	97.62% (G)
<u>OPME</u>										
Number higher risk workplaces identified				503			N/A	N/A	43	43
Number higher risk workplaces receiving an intervention				479			N/A	N/A	43	43
% high hazard/risk workplaces receiving an intervention			100.00%	95.2% (G)	100%		N/A	N/A	100.00%	100.00% (G)

*Includes safety reports and safety submissions.

** NSD Target 82%. If 82% completed to time then target 100% satisfied.

*** 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.

Narrative.

NSD

OPM A: This indicator is Amber. NSD has achieved a 76% return against a target of 82%. (Note this is only 2% [5 assessments] away from being a green light). The underlying causation for not reaching the green range of 78-82% is an overload of work due to lack of resources, responding to reactive work and dealing with work of a higher priority e.g. failure of a cast iron pipe work at one of the Advanced Gas Cooled Reactor power stations and the implications for the safe operation of the other AGRs which generate nearly 20% of the UK's electricity.

As identified at the end of the third quarter NSD's database does not provide the performance data required by the Balanced Scorecard. It is appropriate for showing the impact of resources and emergent work, but it is not a good measure of in-year performance of agreed work delivered through agreed resources.

However, from mid-year onwards NSD management and inspectors have checked their entries on the database and corrected any mis-descriptions and/or renegotiated on timescales. This has resulted in an improvement from the previous red traffic lights and reflects the increasing awareness of inspectors of the need to record changes in the database more accurately. Managers have also become more aware of the need to set target dates based on their planned resources.

RI

OPM A: The AMBER traffic light relates to the issuing of the first RSC Issues Log to dutyholders. The problem with the current definition of safety cases remains (as previously explained - namely that if you have earlier processing setbacks you cannot recover them.) The safety case team have proposed new definitions to address this problem. There have been significant month-on-month improvements sustained over the last nine months, with all RSCs meeting the performance standard during that time. But however well one does subsequently one cannot easily recover an early shortfall.

OPM C: We have established that much of the shortfall in RI's aspirational target (higher than similar targets in ops group) arose because complaint investigations, which had been completed, were not counted, as input screens on FOCUS were not updated on closing the case. We have retrospectively corrected some FOCUS data to reflect more accurately the number of complaints followed up. This has not however improved the overall status of the indicator to green as anticipated in the 3rd quarter and further remedial action is required for 2004/05. This may include lowering our aspirational target to bring it in line with those of other operational directorates.

2 Delivering Worker Health and Safety PSA1									
End 3rd Quarter 2003/04	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2007/08	2009/10
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			Baseline			RHS Mid-point			
No of working days lost/100,000 workers from work related injury and ill health			40.2m	No new data		34m			28m
Reduce incidence rate of fatal and major injury incidents by 5% by 2004 and by 10% by 2010	Baseline					RHS Mid-point			
Incidence rate of fatal and major injury incidents	263.2	262.0	268.9	*253.1 (95% confidence interval of 270.2)		250.0			236.9
Reduce the incidence rate of cases of work related ill health by 10% by 2004 and by 20% by 2010			Baseline			RHS Mid-point			
Incidence rate per 100,000 employees of cases of work related ill health			2,200	**		2000			1800
Priority Programmes									
Progress with Priority Programme Plans	See "Narrative on Delivering Worker Health and Safety PSA below"								

* In 2002/03, to allow for changes in the rate of reported major injury relative to the rate of reported over-3-day injury to employees, a revision was made to the methodology used for the calculation of the estimate of major injury reporting used in the indicator. This revision was also applied retrospectively to 2001/02. For 2002/03, the unrevised indicator shows a rise of 5.7% from 1999/2000, the base year. On a revised basis, the indicator falls by 3.8%. Both these estimates are subject to statistical uncertainty of 5-6%. These alternative estimates represent two interpretations of the relative changes in the rates of reported major and over-3-day injury. **There is insufficient evidence to choose confidently between these alternatives, and the true position is likely to lie somewhere in between, leading to the conclusion that there is no clear evidence of change, which is also in line with the flat trend in the Labour Force Survey.** HSE will carry out an analysis and commission research on the reporting of major injuries. The indicator depends heavily on estimates of the level of major injury reporting. The value for 2002/03 will be updated with a finalised estimate of reporting next year when the results of the 2003/04 LFS are available.

** The balance of evidence suggests that the overall incidence of work-related ill health is likely to have risen since 1999/2000. This is essentially because the latest information suggests work-related stress is rising, while musculoskeletal disorders – the other major cause of ill health – show no change (though there is some evidence of improved risk control). A reduction in asthma, and hints of a reduction in dermatitis, are not enough to offset the stress increase.

Narrative on Delivering Worker Health and Safety PSA

Progress towards the PSA target: Activity

PP Business Plans: Each PP has set quarterly milestones throughout 2003/04 and monitors surrogate indicators, delivery of which (together with Securing Compliance\Externalities) determines the “traffic light” status of the PSA targets.

Priority Programme plans have broadly been delivered (although “GSE” has ended the year with a “red”. However, renewed Ministerial interest and a now fully resourced HSE Programme team should see progress in the next quarter). Surrogate indicator activity exceeded: a robust enforcement line has been taken throughout the year in the **construction** sector; the number of Safety Awareness Days undertaken and those attending in **Agriculture** exceeded plans. However, fewer Notices issued compared with 2002/03. **Health services:** stakeholder engagement /operational activity achieved. **Falls from Height:** Progress very good, although Risk Control Indicator information is mixed: Ffh discussed more often and for longer, scores in the categories indicating little or no compliance have decreased, but scores in the categories indicating broad or full compliance have decreased and fewer Notices were issued. **Stress:** The pilot management standards (a key feature of the Programme) evaluation indicates the standards integrate well with existing policies and are simple to use. Operational activity exceeded targets. **Slips and Trips (S/Ts):** In the last ‘quarter’ 9.7% of RCI aggregate scores were in the worst four categories indicating little or limited compliance compared to 6.2% for the equivalent period in 2002/3 (suggesting either that conditions are being assessed more critically or a deterioration in management of the risks). Low number of Notices issued continued from the third quarter into the fourth quarter: Greater inspector awareness and confidence would be expected to raise the number of Notices. Positively, the % of occasions when S/Ts were discussed with contacts was higher than for the same period last year. Additional training for inspectors is being carried out.

Workplace Transport: Following a red in the third quarter positive progress has now been made. Overall the business plan is now on track; extra resources have been made available. Good surrogate activity. **MSD:** Mixed picture on surrogate indicators: 4th quarter data comparison shows (a statistically significant fall of 62.15% to 60.05% in the proportion of duty holders with “good performance” scores; and a statistically significant rise of 12.67% to 13.20%, in the proportion of duty holders with “poor performance” scores: a reverse of performance in previous quarters. Notices issued continue to show a downward trend and MSD inspection contacts are down. Despite good progress in other areas, an **amber** is therefore assigned.

Compliance/Externalities: **Compliance:** End of year outturn for preventive inspections: above plan. **Externalities:** a MORI survey in January 2004 found high levels of awareness of HSE (higher than for comparable Government agencies) and of support for h&s. Employers ranked it among their top two issues of working life and saw h&s as good for business and disagreed strongly it was a strain on profits. Our vision of health and safety as a cornerstone of a civilised society was overwhelmingly supported. Some of our media coverage in 03/04 however did not reflect these positive attitudes of employers/employees and citizens.

3 Delivering Major Hazards PSA	Base Year		2003/04			
	2001/02	2002/03	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Rail indicators						
Signals passed at danger	172	143	36	36	Series discontinued and replaced with Safety Risk Index	
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		
					Unavailable	
TOTAL	1965	1693	278	262		
SAFETY RISK INDEX	100	101.7	96	94	(G) 86.9	LAG
Nuclear indicators						
Reports made to HSE by licence holders which indicate a challenge to nuclear safety	143	156	22	24	(G) 27	(G) 28
Offshore indicators						
Major and significant hydrocarbon releases	113	85	28	31	(A) 23	(R) 23
Onshore indicators (COMAH)						
Relevant RIDDOR reportable dangerous occurrences, e.g. unintentional explosions, failure of pressure systems	177	155	35	37	(G) 33	(G) 34

Delivering Major Hazards Target Narrative

- 1) Rail – The new Safety Risk Index for the main line railway, developed by the Rail Industry, has replaced the Rail Precursor Series. The reporting arrangements to HSE are reliant on the industry and there is a reporting lag of one quarter. Revalidation of previously quoted data has resulted in the adjustment of all the above Safety Risk Index values since Q3.
- 2) Offshore – This unwelcome hiccup in the performance for “major and significant hydrocarbon releases” may in part be due to a degree of complacency in the industry due to a good performance trend in recent years. In order to bring the indicator back on track the planned resource against the “Managing Hydrocarbon Releases Offshore” key programme was increased, finishing at 157% against plan, illustrating the great effort within the Division to effect a remedy. The additional effort was required to tackle some dutyholders where hydrocarbon releases were starting to increase primarily due to maintenance related causes; similarly each manned production installation on the UKCS has received an inspection based on the ‘10-part inspection guidance suite’.

A full analysis of the root causes of hydrocarbon releases throughout the duration of the programme is being undertaken and this will be fed into OSD’s Installation Integrity Programme, which is running from April 2003 to March 2007.

4 Delivering Health and Safety in HSE End 4 th Quarter 2003/04	End Year	End Year	2003/04			
	2001/02	2002/03	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Sick Absence						
Number of instances of absence during qtr	6534 total	7152 total	1,412	1510	1929	1821
Average days absence per staff year per qtr	8.06	8.36	7.10	6.5	9.3	8.6
Referrals to Occupational Health Provider						
Number of reports of ill health due to DSE use	89	92	(G) 13	(G) 13(1)	(G)13	(G) 12
Notification of Accidents and ill Health						
Fatal injuries	0	0	(G) 0	(G) 0	(G)0	(G) 0
Major injuries	2	1	0	(A) 3	(G)0	(G) 0
Over 3 Day injuries	9	13	(G) 0	(G) 1	(A)4	(A) 4(1)
Minor injuries	114	148	(G) 26(3)	(G) 36(7)	(G)26(3)	(G) 40(4)
Dangerous occurrences	2	0	(G) 0	(G) 0	(G)0	(G) 0
Near misses including verbal abuse and possible accidental exposure to asbestos	72	85	(G) 14(1)	(G) 21(1)	(G)27	(G) 28(2)
ill Health cases	129	158	(G) 19	(G) 25(1)	(G)26	(G) 31(1)
Total reported incidents	328	405	(G) 59	(G) 86	(G)83	(G) 103(8)

Note: The figures for non-HSE staff are included and shown in brackets.

Delivering Health and Safety in HSE Narrative

End of year.

From April 2003 to the end of March 2004 a total of 32,269 working days were lost in HSE through sickness absence. There has been a reduction in the average number of working days lost per staff year due to sickness absence, from 8.36 in 2002/03 to 7.97 at the end of 2003/04 and similarly a reduction in the number of instances of sickness absence from 7152 to 6672.

There were 11 RIDDOR reports during 2003/04 (1 of which was reported by an employer of non-HSE staff). This compares with 15 reported last year (including 2 non HSE staff), 15 in 2001/02 (including 3 non HSE staff) and 15 in 2000/01. The incident rate for RIDDOR reports is 233 per 100,000 employees (compared with 303 per 100 000 last year). HSE estimates the total cost of the accidents/ill health to be approximately £356,000. There were 3 claims settled during the year relating to work-related accidents.

Completed by Patricia Williams and Dave Thomas, FMT

5 Living within the Budget	December	Indicative	Variance		Final	Indicative	Variance
HSE (excluding HSL)	Forecast	Outturn	(+or-)		Estimate	Outturn	(+or-)
	£k	£k	£k		£k	£k	£k
Admin cost: is spend on payroll and GAE in line with plan							
Pay	133,418	132,767	-651		146,052	132,767	-13,285
GAE	68,821	69,476	655		62,830	69,476	6,646
Admin Costs	202,239	202,243	4		208,882	202,243	-6,639
Admin Other	6,796	5,745	-1,051		7,880	5,745	-2,135
Total Admin Costs	209,035	207,988	-1,047		216,762	207,988	-8,774
Programme: is spend in line with plan							
Programme	50,465	50,005	-460		61,701	50,005	-11,696
Net Resource Budget: is expenditure and income within net resource limit							
Admin Income	-51,936	-51,923	13		-51,936	-51,923	13
Programme Income	-5,900	-5,721	179		-5,900	-5,721	179
Total Income	-57,836	-57,644	192		-57,836	-57,644	192
Net Resource	201,664	200,349	-1,315		220,627	200,349	-20,278
Capital Management: is capital spend according to Plan							
Capital Spend (excl capital sales)	4,467	3,750	-717		6,502	3,750	-2,752

5 Living within the Budget	December	Indicative	Variance		Estimate	Indicative	Variance
HSE including HSL	Forecast	Outturn	(+or-)			Outturn	(+or-)
	£k	£k	£k		£k	£k	£k
Admin cost: is spend on payroll and GAE in line with plan							
Pay	144,454	143,559	-895		157,088	143,559	-13,529
GAE	74,701	74,954	253		69,663	74,954	5,291
Admin Costs	219,155	218,513	-642		226,751	218,513	-8,238
Admin Other	9,637	8,980	-657		10,726	8,980	-1,746
Total Admin Costs	228,792	227,493	-1,299		237,477	227,493	-9,984
Programme: is spend in line with plan							
Programme	55,075	54,181	-894		66,311	54,181	-12,130
Net Resource Budget: is expenditure and income within net resource limit							
Admin Income	-77,251	-77,796	-545		-72,651	-77,796	-5,145
Programme Income	-5,900	-5,722	178		-10,510	-5,722	4,788
Total Income	-83,151	-83,518	-367		-83,161	-83,518	-357
Net Resource	200,716	198,156	-2,560		220,627	198,156	-22,471
Capital Management: is capital spend according to Plan							
Capital Spend (excl capital sales)	6,067	5,645	-422		11,100	5,645	-5,455

Narrative: Outturn against Forecast

- HSE (excl HSL) Indicative Outturn is showing a net resource underspend of £20.2m which is made up of a £6.6m underspend on Admin and GAE, £2.1m on Admin Other, 11.7m on Programme and a slight under recovery of £0.2m on income. This indicative net resource outturn is within 1% of the key December forecast and reflects the strategy of managing down whilst maintaining activity. HSE strategy was to build End Year Flexibility (EYF) for future pressures and it should be noted:
 - The indicative outturn includes an accrual for the unpaid element of the 2003/04 pay settlement; and
 - The availability of Admin EYF is subject to agreement with DWP.
- HSL's indicative outturn surplus exceeds £2m, which is significantly greater than the £0.9m forecast in December. The Traffic Light for indicative outturn against forecast must be Green (although the HSL surplus will be examined further).

Narrative: Outturn against Estimate (Estimates are Parliamentary controls on income and expenditure)

- The Final Estimate was agreed with the Executive in January 2004. HSE will not exceed the Parliamentary Estimate – although the income shortfall of £0.2m will need to be plugged from Programme underspend.
- HSL have made a surplus and as such will not exceed their Parliamentary Estimate. The Traffic Light for indicative outturn against Estimate must be Green.

6 Allocating Resources to our operational priorities	2002/03		Quarter 1		Quarter 2		Quarter 3		Quarter 4	
End 4th Quarter 2003/04	Plan	Outturn	Plan	Outturn	Plan	Outturn	Plan	Outturn	Plan	Outturn
(OPM B) % of resource committed to priority operational activities.										
FOD	60%	63%	60%	66%	60%*	68%*	60%	64%	60%	72%
HID			3660	3795	100%	108%	100%	108%	100%	107%
RI			60%	62 %	60%	73%	60%	68%	60%	66%
NSD			30%	36.4%	30%	31%	30%	30.45%	30%	32.51%
HSE										
Overall % resource committed to priority programmes as a proportion of that published in HSC Business plan		105%								
No regulatory contacts delivered										
FOD	172,985	186,203	39,136	36,838	81534	87,207	123,931	133,886	173,767	181,981
(preventative inspections included in above)	71,858	74,112	15,197	15,533	31,660	36,341	48,122	51,859	70,027	73,103
HID	16,528	21,042	4,048	4,598	8,266	9,940	12,399	11,938	16,532	15,486
(preventative inspections included in above)	8,420	9,830	1,784	1,484	4,077	3,365	6,116	4,999	8,155	6,157
RI	5,989	7,764	1,884	1,939	3,769	4,047	5,653	5,934	7,537	8,216
(preventative inspections included in above)			943	873	1,886	1,799	2,829	2,735	3,772	3,743
NSD	992	948	169	200	336	420	502	577	669	777
(preventative inspections included in above)										
HSE	196,494	215,957							198,505	206,460
(preventative inspections included in above)	80,278	83,942							81,954	83,003
FOD only - balance of resource committed to Proactive/reactive*	60-40	51-49		53-47		59-41	54-46	59-41		59-41

Narrative

FOD –

- (i) the figure for preventive inspections includes the Short Duration Contact Allowance (formerly the SHIELD Transient Allowance) as previously agreed. NB the full year plan for regulatory contacts was 173767; that for inspections was 70027: green lights in both cases.
- (ii) the proactive:reactive balance is now at target. As you know, due to changes to the way we record work on FOCUS, we had to revise the measuring method to use contact time only, and are now back at the levels of 1998/99. We continue to aspire to higher levels.

RI - The original target for operational priorities (RI intervention Plans) was 60% of time but recognising that delivery through intervention plans was a steadily developing activity Ops aspired to achieve a rate of 75%. In fact we have achieved well over the 60% but have been unable to achieve what was an aspiration.

7 Recruit	Baseline	2003/04			
End 4th Quarter 2003/04	2002/03	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Occupancy of unfunded posts (the priority list)					
Number of people occupying unfunded posts in Rose Court					
Band 1	1	1	(G) 0	(A)1	(G)0
Band 2	5	4	(G) 1	(A)	(G)0
Band 3	1	1	(G) 0	(A)	(G) 0
Band 4	0	0	(G) 0	(A)1	(G)0
Band 5	1	0	(G) 0	(A)	(G)0
Band 6	0	2	(G) 1	(A)5	(G)3
Total Number occupying unfunded posts in Rose Court	8	8	(G) 2	(A)7	(G)3
Number of people occupying unfunded posts in Bootle					
Band 1	1	1	(G) 1	(G) 1	(G)1
Band 2	2	3	(G) 3	(G) 2	(G)2
Band 3	2	2	(G) 2	(G)	(G)0
Band 4	2	1	(G) 0	(G)	(G)0
Band 5	1	1	(G) 0	(G)	(G)0
Band 6	2	1	(G) 0	(G)	(G)0
Total Number occupying unfunded posts in Bootle	10	9	(G) 6	(G) 3	(G)3
Total number occupying unfunded posts across HSE	18	19	(G) 9	(G)12	(G)7
Length of time on list to placement in permanent post	N/A	N/A	21 weeks	28 weeks	13 weeks
Success in filling agreed number of advertised posts within agreed timeframe					
		(A) 67%	(G) 100%	(G)100%	(G)100%
Number of agreed posts advertised	N/A	8	(G) 22	(G)25	(G)14
Number of agreed posts advertised filled	N/A	7	(G) 10	(G)17	(G)33

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

8 Retain and Motivate					
		Turnover rate	Turnover rate	Turnover Rate Mid Year	Turnover Rate End Year
End 4th Quarter 2003/04		2001/2	2002/3	2003/4	2003/4
Turnover rate by the principle 9 disciplines in HSE					
Admin		9.00%	10.30%	(G) 4.45%	(G) 8.48%
FAQ		4.60%	3.90%	(G) 1.37%	(G) 3.72%
Nuclear		3.10%	6.00%	(G) 0.58%	(G) 2.34 %
Offshore		5.40%	3.00%	(G) 0.70%	(G) 1.35%
Other		11.00%	12.20%	(G) 6.67%	(G) 13.86%
Professional and Technical		5.60%	102.20%	(G) 9.52%	(G) 20.00%
Railway		11.30%	10.40%	(G) 5.00%	(G) 8.47%
Scientific		7.20%	8.40%	(G) 4.71%	(G) 5.90%
Specialist		4.30%	1.50%	(G) 1.20%	(A) 5.24%
Turnover rate for all staff		7.20%	8.20%	(G) 3.37%	(G) 6.67%

	End Year	2003/04				
	2002/03	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
Training indicators to be developed						
Diversity In HSE	End Year	2003/04				
	2002/03	(by 2005)	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Progress towards SCS Disability Targets 2005	1.80%	3.70%	1.80%	1.82%	1.82%	1.85%
Progress towards SCS Gender Targets 2005	25%	29.00%	23.20%	23.64%	23.64%	22.20%
Progress towards SCS Race Targets 2005	0%	1.80%	0%	0%	0%	0%

Retain and Motivate Narrative

Turnover rate by the principle 9 disciplines in HSE: The overall turnover rate has remained fairly static in comparison with 2002/03 figures (a decrease of 1.5%). Only one discipline, 'specialists' have an Amber status assigned as the turnover rate has increased by 3.7% on last years overall rate.

Training: Indicator yet to be developed.

Diversity in HSE

A great deal has been achieved over the past 12 months. It is however becoming increasingly difficult to separate out good diversity practice/specific actions from those that have become embedded in our normal policies and practices. This is of course a positive sign and shows an increased willingness by managers and staff across the organisation to live up to the values that HSE actively promotes.

The figures on the SCS diversity targets may look a long way off being achieved but it should be remembered that it only needs one or two individuals to achieve them. It may not sound much, but it is difficult to achieve. It should also be remembered that HSE's targets were set at a level well below those for the Civil Service Modernising Government targets as a whole, due to HSE's low starting point and historical background on recruitment pools. As we make progress towards our targets, it is likely that we will revise them (upwards) in 2004/05 to come into line with the Modernising Government targets.

Progress towards targets

Although we have had less recruitment than in previous years, we have had considerable success in recruiting ethnic minority applicants in the latter part of the year. For example, 33% of applicants and 23% of those recruited as policy advisers were from ethnic minority backgrounds. We are also pleased to have attracted our first ethnic minority appointee at Board level and have welcomed two new female Board members increasing representation of women on the Board to 38%. In terms of disability, the numbers of staff who have declared a disability has more than doubled in recent years and we have already exceeded HSE's disability targets in all job bands except B1 (Grade 6) & SCS. Following a survey in 2002 to find out why women did not apply for SCS posts we held a series of women's seminars in 2003 for those in the SCS feeder grades. We included inspiring sessions from guest speakers who explained how they had reached their senior positions, what the hurdles and issues had been and how they overcame them. The seminars also covered a new buddying pilot in HSE, mentoring/shadowing, and other proposals for the future. The seminars have been a great success and we are currently considering a proposal to open them up to women in more junior grades.

Not all new recruits or existing staff wish to divulge their ethnic background or disability status and therefore the tables (previous page) may not give a complete picture of representation. We accept individual rights to choose whether to take part in our statistical analyses.

9 Leadership

End 4th Quarter 2003/04

Indicators are to be developed

Leadership: Narrative

The results of the Staff Attitude Survey remain the key indicator for Leadership. These demonstrated a lack of staff confidence in HSE's leadership to 'lead and motivate by providing clear purpose and direction'. A series of bi-annual, short sharp "temperature taking" surveys are planned to gauge how the perception of leadership is changing.

Board have agreed a range of measures to reduce risk gap:

- Board Members' profiles will be raised via a programme of visits to local offices.
- Leadership would be discussed at the HSE Board away day in July 2004.

Personnel also report some positive reaction to recent Strategy Roadshows, which have increased the profile and visibility of the DG.

10 Delivering Change

End 4th Quarter 2003/04

Indicators to be developed

Delivering Change Narrative

As previously reported the Change Programme has drawn to a close with all of its projects now completed. Achievements have included the setting up of SID, CoSAS and Policy Group, Living the Values workshops for all staff followed by the development of action plans at DD level and, on a different note, the development of a new resource allocation model. In some cases the original projects led to further work, which has been taken over and embedded in HSE's mainstream, many of them within RPD. These include flexible working pilots and the London review. In light of these achievements the traffic light should be set at GREEN.

BEU recommends that for 2004/05 and future years this indicator be discontinued. The creation of the BIEB and associated BI indicators already proposed would subsume change delivery within them and as a topic it goes to the heart of what BIEB is about.

11 Applying Science and Technology	End year	2003/04			
	2002/03	Quarter 1	Quarter 2	quarter 3	quarter 4
End 4th Quarter 2003/04					
Implementation of Guidance from the Chief Scientific Adviser (CSA), including Guidelines 2000 and the Code of Practice for Scientific Advisory Committees					
(i) Annual reports of reviews of at least two major policy development processes to assess how well Guidelines 2000 have been implemented.		(G)	(G)	(G)	(G)
(ii) Numbers of staff, especially policy staff, attending training on Guidelines 2000		(A)	(A)..	(A)	(A)
(iii) CSA satisfied with HSE implementation of his Guidance.		(G)..	(G)..	(G)	(G)
% of spend on work assessed as high priority by the S&I Blocks.		(A)..	(G) research 67% support 65%	(G)	(G)
% 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)..	(G)	(G)
No. 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)..	(A)	(G)

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 Quality statement Document for implementation of Guidelines 2000 is being radically revised in light of experience following its initial implementation and to reflect organisational changes in HSE arising from the Change Programme. Recommendations from 2002/03 QS audits of two policy processes are being incorporated into the revised QS. The 2003/04 audits of policy processes are ongoing and analysis of the evidence and outputs is underway. HSE will be working with OST to organise a workshop for departments and agencies to exchange experience and share best practice in handling risk within the context of the CSA's guidelines 2000.

Meetings have been held with Policy Group to determine how best to influence policy makers in adapting to the Guidelines 2000 QS through appropriate guidance/training and appropriate training is being developed now staff resource is available.

Preparatory meetings for the OST led external review of HSE S&T have been held across the organisation. A review of the musculoskeletal disorders priority programme has been undertaken to assist HSE in preparing for the main OST led review. A provisional date of June 2004 has been set for the main review.

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

Optimum figure for 'high priority' work set as 70% by SICs. Red = <50%, Amber = 50 -64%, Green = 65 +%. Q4 figures - research 65.2% (green), support 65% (green). This quarter has seen support spend increase from £11 M to 16.9M with continued performance as green.

% 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).

Implementation of the S&I evaluation protocol has involved the development of a revised project record, which ensures the necessary information is captured to report on this indicator. The new Project Record form has now 'gone live' from April and will be used 'from cradle to grave' to record research and planned support work, outcomes from the work and impact of the work on HSE's business. Until returns from the new form are received, data from the existing PPE system will inform this indicator. Information collated from post project evaluations undertaken since April 2003 show that 92% met their objectives by more than 75%. 74% of the evaluated projects were considered to be of immediate use to operational or policy work, of this 24% directly link to policy, 35% to standard setting, 53% to guidance and 16% to regulation. More than 30% of project outcomes have longer-term value, indicating a reasonably healthy horizon scanning activity.

% 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.

Impact Evaluation studies are underway and in the process of reporting on; 1. COMAH charging regimes. 2. Impact of H&S management systems in the NHS. 3. Evaluation of simulation based design tools for construction industries.

An evaluation of implementation of the use of work equipment directive has been reported. The findings established that it was still too early to assess the impact of the regulations on injury levels, and this would take several more years.

The evaluation however identified evidence of improved and ongoing compliance with the regulations and ACOP, a more competent workforce and better flexibility and practicality in implementing the requirements.

Work is nearing completion on an impact evaluation of HSE standards development activity in which S&I. Both commissioned and internal scientific resources make a considerable contribution. Case studies on the impact and CBA of four standards have been undertaken. The results show that involvement of HSE has been worthwhile and strongly backed by industry. An evaluation of safety information centres, pilots of which were supported through the research budget, showed that they were effective in developing coherent H&S systems within SME's and in helping business managers develop knowledge and confidence in developing and managing H&S systems in the workplace.

12 Business Improvement	End Year	2003/04			
End 4 th 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%	(G)100%	(G)100%
%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%				6.1%

Business Improvement Narrative

End of year outturns were stronger than earlier BI plans might have suggested. Savings of £12.7m exceeded the 5% target by 1.1%. Increasing awareness in newer DDs of the importance of BI plans was apparent although some help is still needed to improve techniques for capturing savings. It was disappointing though that virtually no contribution was made by HID, NSD and OPD. Work is in hand to develop governance and approvals processes for BIEB, which is due to meet in late May. BEU hopes to be able to report on all BI indicators from the 2nd quarter of 2004/05 having reviewed and revised them to reflect the establishment of BIEB and the efficiency commitments made in SR 2004

13 Image and Profile

End 4th Quarter 2003/04

Indicators to be developed

Image and Profile Narrative

The Government's announcement of the Rail Review and its suggestion that it would take rail safety away from the HSE has damaged our image and profile during the quarter January to March. Most of the coverage in the national press used the line that the industry would be happy with this as it resented our approach and the proposal was billed as uncontentious. There has been much coverage since the announcement in early January, but we have had difficulty getting our position across.

The publication of the Transport Select Committee's report into railways was also damaging, using very little of the evidence that we had provided.

The national media have also been critical of HSE's stance on the proposed Work at Height Regulations, reporting on the Adventure Activities industry's unhappiness with the proposals.

On the positive side, we have achieved some good publicity on some high profile prosecutions, including Thames Trains. We also had a feature in a Guardian supplement focusing on the work of one of our inspectors. As usual, the specialist press have continued to be more positive. There has been much coverage of our new strategy and Building magazine did a four-page feature on a day in the life of one of our construction inspectors.

Looking at the whole year our position has probably worsened. The rail review is certainly damaging to us and there is a growing focus in the national media on red tape and litigation, which constantly leads to negative views of health and safety. It will be a challenge over the next few months to improve matters.

14 Trust and Reputation

End 4th Quarter 2003/04

Indicators to be developed

There is overwhelming support among employers, employees and a wider population for HSE, supporting recognition of HSC's vision of health and safety as a cornerstone of a civilised society.

HSE is more familiar to and well regarded by employers and employees than the Environment Agency or the Food Standards Agency. 82% of employers have a favourable opinion of HSE and 92% of those who have had contact with HSE find us helpful.

Health and Safety requirements are also generally positively viewed – 73% of employers think that they benefit the company. There is however no room for complacency as nearly half (47%) report that although they benefit the company, the legislative requirements of health and safety are over bureaucratic.

With political audiences and opinion formed the evidence is mainly anecdotal but less positive. There is evidence on MP's views where only 32% think HSE is effective or very effective, compared to 66% who so judge the Audit Commission, or 47% the Environment Agency.

15 Engaging Stakeholders
End 4th Quarter 2003/04
Indicators to be developed

Engaging Stakeholder Narrative

A good deal of work takes place across HSE on engagement with a wide variety of stakeholders. However this activity has not been prioritised, coordinated or evaluated on a corporate basis. Anecdotal reports suggest that there is some valuable work taking place, but equally there are gaps in engagement and duplication of effort. The one piece of quantitative data available at present indicates that only 32% of MPs identified HSE as an effective or very effective organisation, putting us in the bottom quarter of NDPBs. (See Trust and Reputation, above.)

The Communications Strategy has identified stakeholder engagement as a priority for 2004/5. Rapid action is now taking place to address the issue, including:

- both stakeholder engagement posts in Communications Directorate were filled during April;
- a public affairs advice contract has been tendered and will be let before the end of May;
- initial mapping of stakeholders has been completed and has been circulated for internal comment;
- supporting research has been scoped and a contract should be let through COI very shortly; this will provide benchmarks;
- a plan for engagement with key stakeholders will be put to the Board in a paper on 2nd June 2004.