

Health and Safety Executive Board Paper

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HEALTH AND SAFETY EXECUTIVE

The HSE Board

Review of safety case regimes and related work

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Issue

- 1 A review of the safety case regimes to ensure that they remain relevant and proportionate to the changing nature of these industries.

Timing

- 2 A review to commence immediately and be completed within six months.

Recommendation

- 3 The Board agrees the general thrust of this review and its contribution to the Major Hazards Strategic Programme and notes the establishment of a project team with external support to take it forward.

Background

- 4 One of the key challenges in the HSC Strategy for workplace health and safety in GB to 2010 and beyond is to ensure that appropriate risk management remains relevant to the modern and changing worlds of work. In the context of focussing what we do on our core business and the right interventions where we are best placed to make a difference, the strategy makes clear that we will review our safety case regimes to ensure that they remain relevant and proportionate to the changing nature of those industries.
- 5 Our safety case and permissioning regimes have been the subject of constant review since their inception but these have tended to concentrate on refreshing the technical standards which underpin them rather than looking at their underpinning philosophies or the role of the regulator in administering and enforcing them.
- 6 That said, there is a wealth of background work on which to build. Immediately recent work on which to draw includes:

- HSC published proposals to revise the Offshore safety Case regulations in 2004;
- the rail change and delivery programme and our submissions to the rail review;
- a major hazards strategic programme, with new PSA target indicators, has been agreed;
- the Commission published its principles of permissioning regimes as a policy statement in 2003;
- OMF conducted a mapping exercise across the major hazards sectors in 2003;
- OMF ran a comparison exercise in 2002.

7 There is a great deal of government interest in the process of regulation and the roles of the panoply of regulators with whom businesses have to interface. Most recently, Philip Hampton was appointed to review this field. The debate is also informed by routine horizon scanning and the long-term forward looks routinely carried out in the operating divisions.

Proposal

- 8 Although precisely drafted, there are advantages in extending marginally the scope of any work to consider other issues which are closely related. We propose, therefore, that the review comprise four main elements to ensure that:
- the four main themes of the Commission strategy are being applied and are seen to apply to the major hazards regimes;
 - the safety case and permissioning regimes remain fit for purpose in a world where the nature of some of the industries are changing or are predicted to change markedly;
 - we are optimising the opportunities for synergy among the regimes through common processes and approaches to cross cutting issues, greater coherence and a critical examination of the customer experience;
 - the major hazards part of our business is making an important contribution to government thinking on the role of regulation and regulators.

Applying the Commission Strategy

9 The Commission's strategy, vision and mission are inclusive and make clear that working with business to prevent catastrophic failures in major hazards industries is a continuing aim. There is a strong undercurrent in some quarters that the strategy should not be applied to major hazards. Moreover, the view that the regulation of major hazards is an immutable part of the regulatory framework can constrain innovative and imaginative thinking. This was not what was intended; the strategy was written for the whole health and safety system. In terms of HSE's operational resources, our collective effort on major hazards accounts for nearly a half. Failure to apply the strategy or to apply it selectively would be a major omission and would weaken our credibility and reputation.

10 The strategy contains four main themes, each of which has application to our major hazards work:

- developing closer partnerships, including to rise to the challenge of occupational health;
- ensuring that people benefit from sensible health and safety, including better workforce involvement;
- focussing on our core business including a clear evidence based interventions strategy;
- communicating effectively.

11 The strategy provides a framework for ensuring that our work remains relevant and in step with the changing world of work. Despite the maturity of a number of the major hazard regimes, issues of change remain. It is important to recognise, however, it was not intended that HSE would create a one size fits all solution and the challenge is to review the way major hazards is responding using the principles agreed an the strategy as a benchmark. This health check of the application of the strategy's principles would make any necessary recommendations for further work.

Regimes fit for purpose

12 Each of the regimes was designed at a different time for a different purpose. Some are influenced greatly by European legislation or other international agreements. Whatever the origin, most regimes are now relatively mature and there is an argument for reviewing the effort needed to sustain the standards now agreed and achieved. Arguably, the effort required to maintain a standard may not be as great as that needed to achieve it in the first place. Alternatively, the style and approach to which it is sustained might benefit from change or variation.

13 This theme is implicit in the proposals to revise the offshore safety case regulations. Although the original rationale for the regulations remains valid, HSC now believes that they need updating after more than a decade of operational experience and to meet the changing circumstances in the industry. The proposal makes clear that our aim is to reduce bureaucracy and regulatory complexity. While OSD has noted a diminishing return in improvements, the effort involved in preparing and assessing safety cases has remained the same. Their resubmission every three years is now thought to add little value and waste resources. We believe these resources might be better deployed in other activities to provide a better health and safety return.

14 A similar line of thinking is being adopted in Railways and the other major hazard regimes may benefit from the same approach. In the interests of consistency and focussing our effort where there is the greatest return, the case for maintaining the existing regimes should be evaluated.

Synergy, coherence and consistency

15 The better regulation debate is concerned with the perceptions and experiences of stakeholders. In addition to juggling with different regulatory standards across different regulatory regimes, stakeholders also have to grapple with the different philosophies of approach of regulators, their different bureaucracies, principles, values and behaviours. Although our approach to permissioning regimes is published as a set of principles, we should ensure that these are universally applied in practice. Particularly informative would be the views of stakeholders, especially those who interface routinely with more than one regime. Viewed from their perspective, opportunities might exist to make their passage through our processes

more straightforward and consistent. If they have to interface with other regulators too, the opportunities for being more joined up should be equally explored.

- 16 A single business process might be a legitimate ambition. An analysis (carried out internally or by consultants) of business processes would be a necessary first step to identify:
- the customer experience and opportunities for reducing bureaucracy and unnecessary process;
 - the variations in approach;
 - opportunities for a single process or greater commonality among them with implications and risks;
 - the skills, competencies and roles necessary to operate the system;
 - any other business improvements and efficiencies.
- 17 Some issues affecting the future of the individual industries are the same. Decommissioning, downsizing, sale of assets and the use of contractors are obvious examples. Our approach to tackling these issues should be sufficiently inclusive to maximise benefits and to identify the synergies across the regimes. This might demand a more strategic and coordinated approach to research and our science and technology resource. There will be links here with the S and T review.

Becoming a modern regulator

- 18 Major hazards will not be exempt from the latest government thinking on the role of regulators but clearly a special case within it. The Hampton review team has already visited a major hazards site. While impressed with the way we undertake our work, they were struck by the number of regulators with whom the business has to establish a working partnership. More thinking is required to influence Hampton and it is important that the major hazards part of our business embraces that role.
- 19 Similarly we should review critically the potential for change to be imposed upon us and be prepared to identify and evaluate alternative models.

Consultation

- 20 None at present. If the Board is content we will establish a representative project team and consult on the detail. This team could include external members as appropriate.

Costs and Benefits

- 21 As a regulator we are striving constantly to improve both our efficiency and effectiveness. We would expect this work to identify improvements in the health and safety performance of the major hazard sectors through more effective and efficient regulation and ways of working. It will also identify the scope for cost savings to HSE and business while improving the regulatory outcomes.

Financial/Resource Implications for HSE

22 Within existing budgets. Money exists within money allocated to implement the strategy to engage consultants on business process mapping.

Environmental and other implications

23 None at present.

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