

**Balanced Overview of the 4 Business Perspectives.**

**Delivering the Mission.**

1. The Delivering Planned Work headline indicator reports a Green status this quarter. All Operational Directorates are reporting a Green status for each sub-indicator i.e. all OPMs are being successfully delivered.
2. Some organisational changes came into effect in October 2004, which were aimed at helping the organisation to implement the strategy and progress towards delivering our PSA target. Amongst other changes, the Health and Safety Hazards and Sector Strategic Programmes were merged and rationalised into one Strategic Programme. Programme activity has been crafted into three main blocks aligned with the PSA targets. The emerging Strategic Programme is called 'Fit for work, fit for life, fit for tomorrow' and is almost wholly responsible for the Delivering Worker Health and Safety Targets.
3. An Amber status has been assigned to Delivering Worker Health and Safety Targets. Largely positive progress is reported overall, however the Amber rating is based on individual ratings for milestones achieved in the Programme Blocks (see Table 1 on page 5 of Annex 2) and not actual progress with the Revitalising Health and Safety targets.
4. A more definitive assessment of progress against Delivering Worker Health and Safety Targets became possible after publication of the Health and Safety statistics for 2003/04 on the 18th November 2004. Latest reported data shows little change in the rate of fatal injury.
5. There has been a decrease in the rate of major injury in the more traditional production industries and an increase in some service industries such as public administration, hotels, catering and transport. There is evidence to suggest that reporting levels have increased, leading to an overall judgement of no clear evidence of change in the incidence rate of fatal and major injury since 1999/2000, the base year for the Revitalising Health and Safety targets.
6. Work related ill health data shows a fall in the incidence rate of musculoskeletal disorders and a levelling off in the earlier rise in work related stress. There have been reductions in the incidence rate of asthma and dermatitis, but a continuing rise in asbestos related cancer. This leads to the overall assessment that there is no clear evidence of change in ill health incidence since 1999/2000. For working days lost there is no statistically significant change evident. For further information see <http://www.hse.gov.uk/statistics/overall/hssh0304.pdf>
7. The Green for Delivering the Major Hazards PSA has been assigned based on a continued good performance in all but the Rail component of

the indicator. Rail maintains a Red status as the trend is above the target trajectory and not converging with it. The projection is that, although performance is showing slight improvement with respect to the baseline, it is not enough to prevent further divergence from target. All of the key areas of concern were challenged and actions being taken to improve the position discussed at the meeting between HSE Rail and Network Rail on 28 January.

8. The indicator owner has assigned the Red for Delivering Health and Safety in HSE. This was due to two out of three health and safety sub-indicators moving to a Red status (number of reported slip and trip incidents and referred DSE related issues).
9. Although the number of RIDDOR reportable incidents involving HSE staff had exceeded the annual target in quarter 2 there has been a greatly improved performance this quarter, hence the sub indicator has been awarded an Amber status.
10. A small reduction in number of days average sickness absence per staff year per quarter is seen alongside a seasonal increase in instances of sickness absence. The apparent decrease in average days absence per staff year per quarter is due to last quarter's data being skewed by inclusion of three long term absences, and that Quarter 3 figures do not contain any absences of over 50 days ending in the quarter.

### **Managing Resources.**

11. A continuing Green status is assigned to Financial Management and Monitoring, where HSE (excl HSL) Outturn to date compared to Budget is showing a Net Resource under spend of £8.124m which includes a £4.877m under spend on Payroll and GAE, £0.489m over spend on Admin Other, £4.239m under spend on Programme and an under recovery of income of £0.503m.
12. The Forecast Outturn against Budget is showing a Net Resource under spend of £8.804m which is made up of a forecast Admin under spend of £3.137m, a forecast Programme under spend of £5.477m and an over recovery of income of £0.191m.
13. A continued good performance is seen in Allocating Resources to Operational Priorities maintaining a Green status. All ODs are reporting a Green sub-indicator for 'percentage of resource committed to SPs as a proportion of that planned'. Also, HID and NSD have reported a Green status in 'resource applied to front line activity'. It has not been possible for FOD to report on this sub-indicator this quarter, but it is hoped that quarterly reporting will commence next quarter.
14. Recruitment has a continued Green status. The number of posts that are not included in work plans across HSE has now been reduced to zero.

15. A continuing Amber status for Retaining and Motivating has been assigned in quarter 3 reflecting the status at the end of quarter 2, as the turnover rate can only be reported at the mid and end year points.
16. It is realised that the personnel based indicators may not be focused in the most important/strategic areas. Further work is planned with Personnel Department (PD) to examine the suitability of the Recruitment and Retaining and Motivating indicators, in light of the developing 'Workforce Strategy' and current tight financial situation. (See annex 3)

### **Continuous Improvement.**

17. The indicator owner has applied an Amber status to Leadership in this quarter. Leadership in HSE is progressing slowly and there is still some mistrust evident. Increased face-to-face contact with staff is planned to counter this but it is recognised that more help is needed for and from middle managers.
18. Communications from the Director General have been enhanced with the launch of his own website – providing a direct line of communication to those who wish to pose direct questions.
19. Senior Civil Servants have been undertaking a series of career reviews to identify Band 1 & 2 staff that have the competencies, a proven track record of high performance and demonstrate potential to progress to the Senior Civil Service within 5 years. Local support and training is planned to help eligible staff attain skills and experience in the necessary areas.
20. A Green status has been applied to Applying Science and Technology. An outturn of over 80% of resources planned for science and technology has been reported. Spend on Communication research remains below profile, however there has been much activity in commissioning Communications research, following establishment of a proper procurement route, which has brought committed spend closer to plan.
21. Over 75% of research projects undertaken have fully met their objectives and 70% of outputs were of immediate use to HSE. Of this 70%, 16% were linked to policy, 23% to standard setting, 38% to guidance, 14% to regulation and 6% stimulated further research.
22. Notable outcomes from research work have included: The establishment of a database for workers occupationally exposed to radio frequency radiation. This work arose from recommendations from Sir William Stewart's report on health and mobile phone use. It will provide HSE with baseline information on exposed groups, to be used in the future to identify any adverse health effects from radiofrequency radiation. The costs for future maintenance of the database will be met by industry. Also a small 'seed capital' input into offshore research has maintained HSE's role as a

major player in offshore safety and further developed valuable relationships with the industry and academic organisations.

23. A Green status has been applied to Applying Business Improvement (BI). This quarter, four of the sub-indicators have been reported. All D/Ds now have a significant and balanced business improvement programme. The sub-indicator for overall benefits as a percentage of administrative costs remains Red (2% of administrative costs to date), but this has previously been 'loaded' to the last quarter of the financial year, so significant improvement is expected next quarter.

### **Reputation.**

24. Profile (formerly Image and Profile and Trust and Reputation combined) has seen a marked improvement this quarter, moving from an Amber to a Green status. A large volume of articles (2272) were recorded in October, November and December 2004 across regional, trade and national press. Coverage overall has been positive. Over the three months tracked the Regional and Trade coverage was stable. The leading positive message over this period has been that the HSE is committed to being a good partner and working with others to improve health and safety - encouraging evidence that key messages are being picked up.
25. The campaign for our stress management standards reached a significant landmark, as we launched the final version of the standards and accompanying toolkit. Early press interest had been significant so it was no surprise when coverage began during the previous weekend and continued through and beyond the day of the launch, November 3rd. Balanced and prominent stories about HSE's approach ran in the news pages of most national newspapers.
26. There were two statistics launches. A DoH White Paper overshadowed the launch of the Fifth Annual Offences and Penalties Report nationally on November 16th, however, the FT did run a story the following day and there was also a large amount of regional coverage. There was also a National Statistics launch of the Health and Safety Statistics Highlights 2003/04 held on Thursday 18<sup>th</sup> November. Thirteen journalists attended from national and trade press.
27. The Internal Communications indicator has subjectively been awarded an Amber status this quarter. Support for the principles underlying 'Cascade Briefings' remains positive. COI have been asked to review the system and recommend improvements. The 'Pulse Panel's' views will be taken into account as part of the review. The bi-annual staff 'temperature taking' survey is planned and will carry an appropriate set of questions on internal communications.
28. Stakeholder Engagement has been awarded a further Amber status by the indicator owner. Work on early plans enabled development of an action plan template that is now being used with other key corporate

stakeholders. (A list of approximately 30 key stakeholders has been drawn up requiring priority action.) A toolkit has been rolled out to Strategic Delivery Programme teams and directorates across HSE. The tool is for analysis and planning relating to (regional) strategic stakeholders.

29. A further round of research has been undertaken into the attitudes of MPs to various agencies. This monitoring on a six monthly basis is a useful barometer of stakeholder views. The findings indicated a small but significant improvement, with those MPs indicating no contact with HSE dropping from 31% to 23% and overall, those rating HSE as an "effective organisation" rising from 29% to 39%. Other comments indicated that the most common reason for believing HSE to be ineffective was a perception that we are "bureaucratic killjoys".
30. A meeting has taken place between Strategic Planning Unit and Communications Directorate in December in order to firm up the sensitivities or tolerances for the status of each indicator and develop a set of rules for the combination of the sub-indicators.
31. At the previous Board meeting where the second quarter's Balanced Scorecard was discussed, the Board requested a significant revision of much of the Scorecard. Work is underway with members of the RDG, BEU, Communication Directorate (CD), Financial Management Team and CoSAS to progress this work.

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