

ONSHORE GAS AND PIPELINES SECTOR STRATEGY

2014-17

DELIVERING THE STRATEGY

- 1 To deliver its strategy relating to onshore gas and pipelines, HSE will:
 - Undertake a range of regulatory interventions informed by regulatory intelligence, industry performance, trends and other information primarily targeting the management of major accident hazard risks using the approach detailed in the [HID Regulatory Model](#).
 - Maintain a dialogue with dutyholders to ensure that, where appropriate, our interventions add impetus to making improvements already recognised as necessary by individual dutyholders.
 - Engage and collaborate with industry stakeholders to pursue initiatives, share lessons learnt and provide guidance for managing major accident hazards risks.
 - Engage with other pipeline regulators within Europe and elsewhere to share learning arising from major accident management, intelligence, significant investigations, regulatory practices and approaches.
 - Engage with employees and worker representatives.
 - Secure compliance and prosecute dutyholders in line with its [Enforcement Policy Statement](#). This means using all the enforcement tools we have, e.g. advice, letters, notices and ultimately prosecution.

- 2 The strategy emphasises that regulatory activities are primarily directed at ensuring that risks that could give rise to catastrophic loss of life are properly managed. In general, the industry has a good record regarding the management of conventional health and safety issues (e.g. slips and trips, manual handling etc.), so inspectors will only deal with conventional health and safety issues by exception.

- 3 The [HID Regulatory Model](#) underpins all Energy Division approaches. It emphasises that inspectors will make judgements about the health and safety performance of an organisation by sampling. The primary aim of inspection and investigation is to establish any underlying deficiencies in management of risk and ensure that the dutyholder addresses them.

Key regulatory activities are:

Assessment of Safety Cases and Reports

- 4 This work will ensure that operators have identified key risks associated with their sites and operations and have identified suitable measures to control those risks. As the COMAH Safety Report and GSMR Safety Case regimes are directed towards the control of major accident hazards and ensuring that relevant statutory provisions are taken into

account, the revised strategy will have little impact on the conduct of assessments.

Planned interventions

5 **Targeting:** Inspection of dutyholders will be targeted using the inherent hazard of their operation and their ability to manage risk (based on their previous inspection history). This means that year on year some operators may be not be subject to planned interventions.

6 **Focussing on major hazard risk:** Inspectors will not address personal safety issues as part of a planned inspection. However, personal safety issues will be addressed if matters of evident concern are noted in the course of their work, or if a safety representative or worker raises personal safety matters during the inspection.

7 **Addressing underlying causes:** The aim of every intervention is to ensure that dutyholders are effectively managing their major hazard risks. Inspectors will take action to ensure that dutyholders remedy failures where deficiencies are identified. Failures in safety management will be identified in two ways. First, Inspectors will interrogate management systems to ensure that they are appropriate, properly applied, understood by those who have key roles to play and subject to regular review. Second, where Inspectors find technical failures, their causes will be identified. Inspectors will 'drill down' into the causes of technical failure to ensure that, not only is the actual failure remedied, but the underlying causes and failures in management systems are identified and remedied.

8 **Dialogue with dutyholders:** Inspectors will engage dutyholders in dialogue regarding our proposals for intervention as soon as our initial analysis of priorities is complete. Inspectors will explain the reasoning behind our proposals, likely timings and the information we will need in advance of the intervention. They will also listen to views of dutyholders. Inspectors will wish to hear the reaction of dutyholders to the proposals. In particular, they will wish to hear if dutyholders are already taking action to improve on specific topics or systems. Inspectors will consider how our interventions could help accelerate or embed changes and will be responsive to positive and proactive suggestions. Inspectors may change proposed interventions where this would generate greater impact or benefit. Inspectors may undertake unannounced inspections as part of a planned intervention, such as for safe control of live gas operations by gas conveyors or their contractors. If dutyholders believe Inspectors do not respond appropriately to their proposals for developing different intervention priorities or approaches, they may raise the issue with the Inspector's managers.

9 **Preparation:** Planned inspection includes the preparation for the inspection, post-inspection analysis and recording of conclusions. Inspectors will prepare for inspections by considering relevant documents, processes and procedures in advance. Where they request material or information from an operator in advance of a visit, this is a key part of the inspection. The aim

of the visit is to test and verify that the procedures and processes set out in the safety case, safety report or other operational procedures are understood and consistently applied in practice to deliver appropriate risk control.

10 **Involving the workforce** – Inspectors will invite Trade Union safety representatives and/or employee representatives to contribute to inspections.

Investigations

11 **Priorities for investigation:** Accidents and dangerous occurrences will be selected for investigation on the basis of published criteria. Concerns raised by workers and complaints made by members of the public relating to health and safety standards will also be investigated.

Closing out

12 **Summarising:** Inspectors will summarise their significant findings at the close of every visit for the senior dutyholder representatives and any Trade Union safety representatives and/or employee representatives present. Significant findings are limited to issues that constitute a failure to meet a standard defined in established guidance or a legal requirement. Inspectors may also give advice and comment at this point. However, they may also need to take further expert advice, or await the results of testing etc. before making any final decision on further action.

13 **Letters:** Following an inspection or investigation, Inspectors will confirm in writing any significant failures by the dutyholder of safety management by which a legal requirement has not been met. Copies of letters will be sent to Trade Union safety representatives and/or employee representatives. Inspectors will follow up any issues they have raised in their letter to the dutyholder. Inspectors will consider taking formal action to secure compliance with legal requirements where a dutyholder has failed to take adequate remedial action in response to a letter.

14 Whilst it is important to involve site, pipeline or network managers in an inspection and in securing any necessary improvement all letters will be addressed to the head office of each relevant dutyholder. Relevant dutyholders may include the operator and/or their contractors. This is important to ensure that the responsible legal entity is made aware of any significant failures of safety management by them by which a legal requirement has not been met.

15 Dutyholders should seek clarification from the Inspector or the Inspector's line manager where any requirements appear unreasonable or, the method by which compliance is to be achieved or measured is, unclear.

16 **Recording performance:** Following all significant interventions, inspectors will score (rank) and record the safety performance of the dutyholder against a set of key topics. These rankings will be used to track the progress of the dutyholder in moving towards full legal compliance and guide

the priority HSE gives to further interventions on either that topic, at a particular site or with a dutyholder.

Enforcement action

17 HSE takes enforcement action to protect employees and members of the public from injury and ill health. Inspectors will follow the provisions of HSE's [Enforcement Policy Statement](#) and [Enforcement Management Model](#) to ensure that their actions are proportionate to the risks they are designed to control.

18 **Enforcement Notices:** Where an Inspector is of the opinion that there is risk of serious personal injury they may serve a Prohibition Notice to stop or prevent a dutyholder from carrying out defined activities. Where an Inspector has found evidence of a contravention of a legal requirement or where there is evidence that a contravention will continue to be repeated they may serve an Improvement Notice. The service of a notice is not a punishment. A notice provides the dutyholder with an opportunity to comply with legal requirements. Dutyholders may appeal to an [Employment Tribunal](#) regarding the service of an enforcement notice.

19 **Prosecution:** Where health and safety standards fall unacceptably short of the legal requirements, or where a failure to comply with a legal requirement has led to death or injury, matters may be referred direct to the courts for consideration. In addition, where a dutyholder fails to comply with a notice they may be referred to the courts.

20 **Fatal accidents:** In the event of a fatal accident the Police will also investigate under the terms of the [Work-Related Deaths Protocol](#). The Police will consider if the death(s) were due to manslaughter and they may initiate action against individuals or corporations.

STAKEHOLDERS

21 The onshore gas supply and pipeline industries are supported by a series of technical associations keen to develop industry guidance. Senior engineers within their sectors who are involved in day-to-day operations support these groups. These stakeholders continue to provide an important contribution to the continual development and implementation of standards. Key stakeholders include (in alphabetical order):

Department of Energy and Climate Change (DECC): HSE holds regular meetings with DECC with work including emergency preparedness, CCS pilot projects and joint approach to GSMR and gas quality.

Energy Emergencies Executive Committee (E3C): Composed of industry and government experts this group supports DECC and COBR in the preparation for, and response to, energy supply emergencies. HSE attends regular meetings of this group with contributions on offshore oil and gas production, gas importation and supply and gas/electricity supply interactions.

Environment Agency (EA) and Scottish Environment Protection Agency (SEPA): The EA and SEPA jointly form the COMAH Competent Authority (CA) with HSE with significant joint working across fuel storage sites and gas storage and importation sites.

Gas distribution network operators (GDNs): The major operators of the gas distribution networks are National Grid Gas, Scotia Gas Networks, Wales & West Utilities and Northern Gas Networks. HSE undertakes continuous liaison with the GDNs on safety case compliance.

Gas national transmission system (NTS): National Grid Gas is the operator of the NTS, the primary gas transmission system. The role of the NEC (Network Emergency Co-ordinator) is also filled by staff from the NTS. HSE undertakes continuous liaison with National Grid Gas on safety case compliance, industry standards, winter demand management and gas supply emergencies.

Gas Transporters Operational Safety Group (GTOSG): Dutyholder group chaired by HSE with the NTS, GDNs and the Independent Gas Transporters represented. Bi-annual meetings held to discuss operational and safety case issues. Highly effective for setting standards, raising and sharing safety concerns across the gas distribution and transmission industry.

Institution of Gas Engineers and Managers (IGEM): As a professional industry body, IGEM provides essential mechanisms to define worker and management competence and plant design and operation standards. HSE engages regularly with IGEM to share learning, support industry guidance and stimulate leadership at all levels.

Network Emergency Co-ordinator (NEC) Safety Case Forum: Bi-annual meetings held with this dutyholder group to ensure that developments to the NEC's safety case and responses to an emergency are agreed and implemented across the GDNs.

Office of Gas and Electricity Markets (Ofgem): HSE's primary OGD contact for gas transmission and distribution. Regular liaison meetings are held with ongoing joint work on gas transmission and distribution price control and in particular iron mains risk reduction.

Renewable and Unconventional Energy: HSE engages with trade associations in this area to address issues (such as gas quality) when they arise. This includes the Energy Networks Association (ENA), the Anaerobic Digestion and Biogas Association (ADBA), the Carbon Capture and Storage Association (CCSA) and the Non-conventional Gas Association

Trades unions: HSE meets bi-annually with the GMB, Unison, Prospect for liaison meetings to discuss operational safety and Major Hazard issues.

United Kingdom Onshore Pipeline Operators' Association (UKOPA): This stakeholder body representing the majority of UK onshore pipeline operators.

HSE holds regular liaison meetings which provide a valuable and effective two-way exchange of information in support of technical, regulatory and policy issues.