

OFFSHORE OIL & GAS SECTOR STRATEGY

2014 TO 2017

STRATEGIC CONTEXT

1 This strategy sets out how HSE's Energy Division will regulate health and safety of the offshore oil and gas industry operating on the UK Continental Shelf. The regulatory framework will not change, but the strategy marks a significant change to the way HSE will approach regulation of the industry and how it engages with key industry representatives and the workforce to drive improvement in health and safety standards.

2 The strategy covers what HSE will do to regulate the sector, but also what oil and gas operators, contractors and other industry stakeholders should do to improve the health and safety performance of the industry.

3 The principal major hazard risks that could cause the death of many offshore workers – fire and explosion associated with hydrocarbon releases and loss of structural integrity and stability - are well known. So are the precautions.

4 HSE and industry have made many attempts to ensure these risks are consistently well-managed across the industry. These attempts have been only partially successful. There has not been a consistent focus to ensure necessary improvements are applied across the whole of industry and that improvements are sustained. This strategy aims to rectify this by ensuring senior industry leaders take responsibility for the delivery of high standards of health and safety offshore.

5 Traditionally, we have focussed upon operators as defined within the regulations – those responsible for the installation. This strategy recognises that this cannot be right when contractors employ 85% of the work force. The strategy aims to ensure that all those with influence over the conditions to which workers are exposed, contribute to ensuring risks are properly controlled.

6 Preventing major accidents requires the maintenance of production facilities and the sub-sea pipeline network. This contributes to maintaining oil and gas production and bringing product to shore. In this way, achievement of good health and safety standards will reduce the risk of major pollution incidents and contribute to securing the energy resilience of the UK, as well as protect workers.

7 To maintain production, the industry is exploiting smaller, higher pressure, fields in deeper waters. This will require investment in new assets and the extension of the life of existing plant. These factors present both safety and commercial challenges. Sir Ian Wood¹ has considered how

¹ Report by Sir Ian Wood [UKCS Maximising Recovery Review: Final Report](#)

regulation of the licensing and fiscal elements of the industry should be coordinated to maximise oil and gas recovery. Many of the conclusions he reaches about what industry must do to secure its economic future, particularly improving cooperation, the sharing of learning and the importance of securing the integrity of ageing plant mirror themes in this strategy.

8 Deliberately, the strategy does not address every aspect of offshore health and safety. Industry is already managing some personal health and safety issues well. HSE expects industry to maintain its performance in these areas without our direct input. The strategy does not address other risks, particularly helicopter and sea-going vessel risks because other regulators lead on these.

9 There is an implementation plan which sets out in more detail how together we will achieve the aims and objectives and monitor progress and achievements. The aims of the strategy will not change. The objectives and contributions of key stakeholders to the implementation plan will evolve.

DESCRIPTION OF THE SECTOR²

10 The UK offshore oil and gas industry consists of 107 oil and gas plus 181 gas producing installations, located on 383 producing fields. There is a supporting infrastructure of 14,000 km of pipelines connecting installations to beach terminals. Industry commissioned many of these assets in the early 1970s and some are now forecast to continue operating to 2030 and beyond.

11 Exploration for new resources continues. The number of mobile offshore drilling units (MODUs) in operation varies year to year, from ten to thirty.

12 Currently, the majority of activity is in the North Sea, with other activity in the Irish Sea and West of Shetland. Some 50 new field developments are planned across all sectors including 8 West of Shetland. West of Shetland, the weather and sea conditions, distances from shore and the absence of a readily available onshore infrastructure present further challenges to the industry.

13 Operators and contractors employ over 32,000 workers in offshore activities. Many tens of thousands more are employed in supporting roles and activities. The strategy aims to secure the safety of all those working offshore.

14 Oil and gas production is strategically important to the UK economy, meeting around 50% of our total primary energy needs. It contributes £50 billion annually to the balance of payments by reducing energy imports and through exported goods. Its UK supply chain recorded revenues of £27 billion in 2011.

² [Oil & Gas UK Economic report 2013](#)

15 Although declining from the 1999 high, production is expected to continue into the 2050s. £13.5 billion was invested in the sector in 2013 and investment is expected to rise further to exploit new fields and increase recovery in existing fields. 2013 – 2015 will be the most active drilling period in the last 15 years. It is forecast that some 130 wells will be drilled over the next 3 years.

16 Production is declining as the most easily accessed fields are exhausted. New fields tend to be in deeper waters and under higher temperatures and pressures, further testing the integrity of assets and providing a more aggressive environment in which to work.

17 Whilst there is significant investment in new infrastructure, much of the existing infrastructure is ageing and has been exposed to a harsh environment and heavy usage. Approximately 50% of offshore platforms are beyond their original design life. As higher temperature, higher pressure reserves are exploited the challenge to asset integrity increases. Well construction and integrity is under greater challenge. To guarantee asset integrity, much work is required to ensure that corrosion and other factors have not affected the structural strength of pipelines, installations or the integrity of topside plant and equipment.

18 Asset integrity must be addressed at every stage of the life cycle, including:

- The application of inherent safe design principles
- Effective written schemes of examination for safety critical equipment, specified plant, pipelines and wells
- Effective maintenance of installations, wells and pipelines
- Operation within design limits and operating envelope
- Arrangements for managing change

19 It requires investment in design reviews and increased maintenance. Asset integrity management is a core factor influencing investment. New facilities must not be constructed at the expense of adequate maintenance of older facilities that remain in service. Consideration must also be given to integrating old and new assets. For example, a new production facility may rely upon an aging pipeline. If the pipeline cannot support the additional pressures from the new facility, safety is at risk and the investment is wasted.

20 The combination of additional investment, additional maintenance to secure asset integrity and an ageing workforce, means the industry faces a challenge to secure sufficient, competent engineers and personnel to meet the challenges.

21 Whilst the focus of this strategy is the prevention of a major incident, the isolated nature and surrounding environment mean that should an incident occur, it is also essential that mitigation measures such as gas detectors, fire-fighting systems and refuge and escape facilities are available and maintained.

22 The decommissioning of offshore installations has started. This is likely to accelerate from 2017 onwards. Over the next two decades, this will involve many installations, up to 5,000 wells and 10,000 km of pipelines.

THE PRINCIPAL HEALTH AND SAFETY RISKS

23 HSE's main concern must be eliminating the risk of major hazard incidents in which many workers could be killed or injured. Piper Alpha and Macondo are examples.

Major hazard risks

24 **Fire and explosion** Fire and explosion can result from the ignition of any released hydrocarbon. Typical sources of hydrocarbon releases (HCRs) are the well, the pipeline riser, other pipelines and pipe work and associated process plant. Releases can occur from either failure of the asset itself due to corrosion, abrasion or fracture, or because of failures of maintenance e.g. poor practice when breaking and re-making joints, or insufficient operational controls. HCRs can also result from damage due to other failures e.g. dropped objects during crane operations.

25 Industry has recognised the importance of controlling HCRs and challenged itself to reduce them. By April 2013, industry had almost achieved its target of reducing releases by 50%. It undertook to achieve a further 50% reduction by 2016. At the end of 2013, HCRs had risen by 30% compared to an equivalent period in 2012. Industry should respond to the challenge it set itself and reverse this unacceptable trend.

26 Floating production installations now account for some 30% of UKCS production and their use is likely to increase. In comparison to fixed installations, they have a higher rate of HCRs. Operators of these installations need to act to make sure they eliminate HCRs.

27 **Loss of stability/Loss of station** Floating installations are also of concern because they can lose stability and buoyancy following collisions, loss of control of ballast systems and environmental action. They can also lose station through failures of anchors and tethers or engine problems.

28 All these risks prevail across the offshore industry. Effective management and control remains central to the continued safety of every offshore installation. Ensuring effective management of these issues will be fundamental to HSE's regulatory activities.

29 It is also essential that where control measures fail, measures to mitigate risks are in place, for example, gas detection systems and fire deluge arrangements. Escape, Evacuation and Rescue measures (EER) should also be in place for occasions when other combined measures have failed. Systems should not just be in place but tested to ensure plant and equipment

works when required. It is crucial that personnel are competent and understand how to interpret warnings and take necessary action.

30 **Structural failure** This is of growing concern as assets age. It includes structural failure of a major element of an offshore structure due to corrosion, fatigue, overloading or impact from, for example, vessels or dropped objects.

Personal health and safety

31 Offshore workers are exposed to a range of hazards associated with manual handling, use of chemicals, slips and trips etc. The accident rates offshore are currently about half that of onshore construction and onshore industrial activities and are slightly lower than onshore wholesale/retail activities³.

32 HSE is satisfied the industry overall has demonstrated a good standard of management of these issues. Consequently, it does not plan to proactively inspect personal health and safety conditions, except for noise, hand-arm vibration, mechanical handling/crane operation and on certain installations – asbestos management. However, it will monitor performance to ensure standards are maintained.

33 **Noise and vibration** There remains work to be done to reduce noise exposure – 30% of the workforce is exposed beyond the second action level (85dB(A)). HSE believes industry can do much more to separate workers from noisy activities and reduce noise at source and more work should be done to minimise the risks of hand-arm vibration (HAV).

34 **Mechanical handling and crane operations** Mechanical handling and crane operations present a significant risk to people. Crane operations and dropped objects that could damage plant are also potential major hazard precursor events. These remain one of the most prevalent causes of reportable dangerous occurrences offshore and therefore, inspectors will examine these operations routinely.

35 **Diving** Risks associated with diving and diving-related operations include a dropped diving bell or sudden decompression of a saturation system. HSE's approach to offshore diving is set out in a separate diving strategy.

Personal environmental health issues

36 These include water quality, food hygiene, legionnaire's disease and other outbreaks of infection. Whilst generally well controlled by the industry, these issues continue to have the potential for widespread illness and loss of life. HSE will maintain the current level of inspection of these issues and monitor performance to ensure standards are maintained.

³ [Oil & Gas UK Health & Safety Report 2013](#)

HEALTH AND SAFETY REGULATION

37 Operators of offshore oil and gas installations are subject to a permissioning regime under the Offshore Installations (Safety Case) Regulations 2005. These require the operator, before the installation is brought into use, to ensure and then demonstrate to HSE that they have identified all major hazard risks, assessed these risks and applied suitable measures to control the risks.

38 Other regulations, particularly the Offshore Installations (Prevention of Fire and Explosion, Emergency Response) Regulations 1995 and Offshore Installations and Wells (Design and Construction etc) Regulations 1996, address key offshore risks and apply to all employers and others responsible for offshore operations.

39 The Health and Safety at Work Act 1974 Application outside Great Britain Order 2013 applies prescribed provisions of the Health and Safety at Work Act and associated regulations to specified offshore health and safety matters.

40 HSE inspectors assess safety cases submitted by operators. They then inspect operations to ensure that standards set out within the safety case are met in practice.

41 Inspectors may also investigate accidents to and complaints from workers and the circumstances associated with any dangerous occurrence or major hazard precursor event such as a HCR.

42 Inspectors will undertake their work in line with the HSE's [HID Regulatory Model](#). They will sample key risk control systems to assess the overall management performance of the dutyholder. During inspections and investigations, inspectors will seek to identify both the immediate reason for the failure and its underlying cause. They will take action both to remedy the immediate problem and secure change that ensures the problem will not recur.

43 Inspectors will inform operators and other dutyholders of actions necessary to comply with the law. Where inspectors are of the opinion that there is a risk of serious personal injury, they may prohibit the activity. Where they identify significant failures to comply with the law, leading to risk to workers, they will require the dutyholder to comply within a suitable period.

44 Inspectors may also refer failures to comply with the law to the courts (via the Procurator Fiscal in Scotland, or directly in England and Wales). Matters are referred to the courts to secure either compliance with the law or obtain justice.

45 HSE inspectors exercise their powers in line with the Regulator's Compliance Code and the regulatory principles under the Legislative and Regulatory Reform Act

2006. They will follow [HSE's Enforcement Policy Statement](#) and make judgements in line with the [Enforcement Management Model](#).

46 [HSE's Enforcement Policy Statement](#) requires our work to be:

- Transparent - we should be able to demonstrate what we do, why we do it and how we reach our conclusions. This strategy is an important element of transparency in our dealings with the offshore industry
- Targeted - in the case of the offshore industry major accident hazards are our main concern and duty holders should be targeted for interventions on the basis of the level of risk they manage and their performance in managing that risk
- Proportional - all our actions should be proportional to risk
- Consistent - we should take similar action in similar circumstances to achieve similar ends, the strategy sets out these ends
- Accountable - the industry and public can and should expect us to work to the aims and standards within this strategy and bring it to our attention when we fall short

47 Our regulation is undertaken within a wider context. Whilst we will always take the protection of the safety and health of offshore workers as an overriding priority, we also recognise that the industry operates within a complex environment. This strategy looks to encourage industry cooperation, leadership etc. in a context that supports all aspects of good business practice and effective exploitation of resources.

48 Which installations and duty holders will be subject to planned inspection is decided by ranking based upon:

- The inherent hazard of the installation
- Operator performance, including an assessment of the effectiveness of the management of risk at the installation(s)
- Other operational intelligence (e.g. a new entrant to the sector is more likely to be subject to inspection)

49 A number of installations are of significant strategic importance to the UK's oil and gas production. Ensuring the integrity of these installations is therefore essential to protect workers and secure energy supplies. It is therefore a factor in how HSE prioritises its inspections.

50 To achieve this HSE must maintain its capability to deliver its range of interventions. This includes ensuring:

- The competence of individual inspectors and other staff
- The competences match those needed to deliver the strategy
- It has sufficient total resource
- That the available resource can be applied flexibly and can respond to changing circumstances.

AIMS & OBJECTIVES

1 Major hazard risks

HSE will direct its resources to preventing and mitigating major accident hazards. It will do this by:

- Ensuring duty holders apply inherent safety principles in managing risks
- Implementing a robust safety case assessment and review process to ensure operators have identified risks and put appropriate control measures in place before offshore installations come into operation and that standards are maintained
- Prioritising interventions based on the inherent hazards of the installation or pipeline, performance of duty holders in controlling risks and other defined operational intelligence
- Undertaking interventions in line with HSE's [HID Regulatory Model](#) and in particular focusing on how well duty holders manage major hazard risks by sampling arrangements in key areas
- Identifying the underlying as well as the immediate causes of any deficiencies in dutyholders arrangements for managing risks
- Taking action to ensure immediate and underlying causes of failures of risk management are addressed

2 Personal health and safety risks

The offshore oil & gas sector generally has a good record in managing personal health and safety risks compared to the many other UK industry sectors. Therefore, HSE will limit its activity in this area. It will:

- Target interventions on the least well managed occupational health risks posing the greatest risks to the workforce
- Target issues where a failure could be a precursor to a major hazard event, including mechanical handling and crane operations
- Deal with matters of evident concern⁴ identified during inspections and investigations
- Investigate accidents and complaints in accordance with its mandatory incident selection criteria and complaints policies

⁴ Matters of evident concern [MEC] are those that create a risk of serious personal injury or ill-health and which are observed (i.e. self evident) or brought to the attention of an inspector [[OC 18/12](#)].

3 Major hazard risks

AIM 1 – LEADERSHIP: The offshore industry⁵ demonstrates effective leadership in managing major hazard risks.

Objective 1: The industry implements actions agreed under Step Change in Safety as set out in [UK Oil and Gas Industrial Strategy: government and industry in partnership](#), published by BIS in 2013.

Objective 2: The industry has effective arrangements for identifying, sharing and learning lessons for controlling major hazard risks.

Objective 3: Industry leaders declare their support for key major hazard performance measures and report their company's performances against these measures annually.

AIM 2 – COMPETENCE: Duty holders demonstrate competence to manage major hazard risks.

Objective 4: Duty holders have arrangements to ensure that leaders, staff and contractors, at all levels in safety critical roles, are competent and resourced to discharge their duties.

AIM 3 – ASSET INTEGRITY: The integrity of offshore installations, wells, well control equipment and pipelines are ensured throughout their life cycle.

Objective 5: Duty holders secure asset integrity throughout the lifecycle of their installations, wells and pipelines.

Objective 6: Duty holders implement [Oil & Gas UK Guidance on the Conduct and Management of Operational Risk Assessment](#) for dealing with impaired safety critical elements or other abnormal situations.

Objective 7: Duty holders ensure floating and semi-submersible installations remain stable and on station.

Objective 8: Duty holders apply lessons learned from major well incidents such as the Deepwater Horizon and Montara accidents.

Objective 9: Duty holders apply the learning from HSE's KP4 programme to their ageing and life extension practises.

⁵ Industry – duty holders, the offshore workforce and other key stakeholders

AIM 4 – HYDROCARBON RELEASE REDUCTION PROGRAMME: There is a continuous reduction in hydrocarbon releases (HCRs) offshore.

Objective 10: The industry achieves its target of 50% reduction in HCRs over the three-year period 1 April 2013 to 31 March 2016.

Objective 11: Duty holders prevent HCRs by the application of effective control of work arrangements.

AIM 5 – EMERGENCIES: Duty holders have effective arrangements for emergencies.

Objective 12: Duty holders demonstrate the integrity of temporary refuges.

AIM 6 – WORKER ENGAGEMENT: Workers and employee representatives engage actively in health and safety matters and in particular, major hazard risks.

Objective 13: Employers adopt the [Step Change Workforce Engagement Toolkit](#), including the use of the engagement survey and act on its findings, or take equally effective measures to ensure workers are actively engaged.

Objective 14: Duty holders ensure that safety representatives are sufficiently aware of major accident hazard risks by taking into account the OPITO Approved Standard, Elected Safety Representatives Development Training.

AIM 7 – REGULATORY APPROACH: The regulation of major hazard risks is proportionate, targeted, consistent and transparent and HSE is accountable to the industry, workers and the public for its actions.

Objective 15: HSE ensures interventions are targeted, transparent and consistent.

Objective 16: HSE has the capability, capacity and competence to deliver the strategy.

Objective 17: HSE will bring forward arrangements and legislation for implementing the [Offshore Safety Directive 2013/30/EU](#), including the creation of an offshore competent Authority with DECC, by July 2015.

Objective 18: HSE works with the offshore industry in the UK, Europe & elsewhere to develop and promote robust standards for managing major hazard risks in the UKCS.

4 Personal health and safety risks

AIM 8 – PERSONAL HEALTH & SAFETY: Offshore operators address the most significant issues.

Objective 19: Duty holders effectively manage risks from noise and hand-arm vibration.

Objective 20: Duty holders ensure they conduct crane and lifting operations safely.

5 Investigations and securing justice

AIM 9 – INVESTIGATIONS & SECURING JUSTICE: HSE promotes sustained compliance with the law and holds duty holders to account where failures give rise to significant risks.

Objective 21: HSE undertakes investigations in accordance with HSE/HID investigation policies.

Objective 22: HSE secures compliance with the law by taking action in accordance with its [Enforcement Policy Statement](#) and [Enforcement Management Model](#).

Objective 23: HSE initiates prosecutions in accordance with the requirements of the Code for Crown Prosecutors in England & Wales and in Scotland, recommends prosecution to the Crown Office & Procurator Fiscal Service in line with the Lord Advocates Code Practice.

DELIVERING THE STRATEGY - What HSE's regulatory activity will look like

- 1 To deliver its strategy, HSE will:
 - Undertake a range of regulatory interventions, including key programme and project inspections, which are informed by regulatory intelligence, industry performance, trends and other information to target its resources to managing major accident hazard risks using the approach detailed in HSE's [HID Regulatory Model](#)
 - Maintain a dialogue with duty holders to ensure that, where appropriate, our interventions add impetus to making improvements already recognised as necessary by individual duty holders
 - Engage and collaborate with industry stakeholders to pursue initiatives and provide guidance for managing major accident hazard risks, conventional safety and occupational health risks
 - Engage with DECC, other offshore major hazard 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 duty holders in line with its [Enforcement Policy Statement](#). This means using all the enforcement tools we have – advice, letters, notices and ultimately prosecution

2 The strategy directs that regulatory activities offshore focus on ensuring that risks that could give rise to catastrophic loss of life are properly managed. In general, the industry has a good record regarding managing personal health and safety issues (e.g. slips and trips, manual handling etc.) so inspectors will only deal with personal health and safety issues by exception.

3 The [HID Regulatory Model](#) underpins all offshore regulatory approaches. It emphasises that inspectors will make judgements about the health and safety performance of an organisation by sampling and the primary aim of inspection and investigation is to establish any underlying deficiencies in managing risk and ensure that these are addressed.

Key regulatory activities are:

Assessment of safety cases

4 This work will ensure that operators have identified key risks associated with their installations and have identified suitable measures to control those risks. As the safety case regime is 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 safety case assessment. The forthcoming changes associated with the implementation of the revised [Offshore Safety Directive 2013/30/EU](#) will require detailed modifications to safety cases to align with environmental requirements, but the fundamental principles applied will not change.

Planned interventions

5 Targetting - HSE targets its inspection of installations and duty holders on the basis of the inherent hazard of the installation, the operator's ability to manage risks and the impact of any combined operations. This means that year on year some installations/operators may be subject to no planned interventions. However, in recognition of the high inherent hazards associated with the industry, every operator will be subject to a planned visit at least once every three years.

6 Focussing on major hazard risk - Inspectors will not address personal safety issues as part of a planned inspection other than for crane operations (particularly where a failure could constitute a major hazard precursor) and mechanical handling on the drill floor. Matters associated with noise, vibration, and personal environmental health issues, including water quality and food hygiene, will also be targeted. Inspectors will not conduct general inspections of conditions on the installation. Personal safety issues will be addressed only if matters of evident concern are noted in the course of other work, or 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 major hazard risk is being managed. Where deficiencies are identified, action is taken to remedy failures. Failures in safety management will be identified in two key ways. First, management systems will be examined to ensure they are appropriate, applied, understood by those who have key roles to play and subject to regular review. Second, where technical failures are found, their causes will be identified. Inspectors will drill down into the causes of 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 duty holders - Inspectors will engage duty holders 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 duty holders. Inspectors will wish to hear the reaction of duty holders to the proposals. In particular, they will wish to hear if they are already taking action to improve on specific topics or systems. They will consider how our interventions could help accelerate or embed changes. Inspectors will be responsive to positive proactive suggestions and change proposed interventions where this would generate greater impact or benefit. If duty holders 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, the post inspection analysis and recording of conclusions. Inspectors will prepare for inspections by considering documents, processes and procedures. 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 offshore visit is to test and verify that the procedures and processes set out in the safety case and other operational procedures are understood, consistently applied in practice and deliver appropriate control of risk.

10 **Involving the workforce** – Inspectors will invite safety representatives to contribute to the offshore element of every inspection.

Investigations

11 **Priorities for investigation** - Accidents and dangerous occurrences will be selected for investigation based on published criteria. Concerns raised by workers relating to health and safety standards will also be investigated.

12 Failures leading to major accident hazard precursors (e.g. HCRs) as well as personal injuries will be investigated. Investigation of personal injuries is important to ensure that the industry does not become complacent about its otherwise good standard of management of these issues.

13 **Involving the workforce** - Inspectors will invite safety representatives to contribute to investigations offshore. Relevant witnesses will be interviewed. Witnesses may be asked to make a formal statement. Inspectors have powers to require cooperation with any investigation.

Closing out

14 Inspectors will summarise for the senior duty holder representatives and any workforce representatives, their key findings at the close of every visit. Inspectors may give advice and comment on issues at this point. They may also need to take further expert advice, or await the results of testing etc. before making a final decision on some issues. Inspectors will confirm all significant findings to relevant duty holders. These may include the installation operator, contractors and other employers. Significant findings are limited to issues that constitute a failure to meet a defined standard.

15 **Recording performance** – Following all significant interventions, inspectors will score (rank) and record the 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, will guide the priority for further HSE interventions on that topic, installation or duty holder and recognise good standards.

16 **Letters** - Following an inspection or investigation, inspectors will confirm in writing to the relevant duty holder any significant failures of safety management. Where issues are raised, they will be followed up. Where duty

holders do not take sufficient remedial action, inspectors will take formal action to secure compliance.

17 Whilst it is important to involve installation managers in the inspection and in securing any necessary improvement, at the close of an inspection, all requirements will be addressed to the head office of the dutyholder. This is important to ensure that the responsible legal entity is aware of any significant failures. All letters will be copied to safety representatives for information.

18 Where any requirements appear unreasonable, or how compliance is to be achieved or measured is unclear, dutyholders should seek clarification from the inspector or the inspector's line manager.

Enforcement action

19 Formal enforcement action is taken to protect against injury. Action may be taken to prohibit defined activities when circumstances are such that the inspector believes there is risk of serious personal injury. Improvement notices may be served where there is a contravention of a legal requirement or where there has been a contravention in circumstances that make it likely that the contravention will continue or be repeated.

20 Inspectors will follow the provisions of [HSE's Enforcement Policy Statement](#) and [Enforcement Management Model](#) to ensure that their actions are proportional to the risks they are designed to control. Duty holders may appeal to an Employment Tribunal regarding the service of a notice.

21 The service of a notice is not a punishment. A notice provides an opportunity for duty holders to comply with legal requirements. Failures to comply with a notice will be referred to the courts.

22 Where standards fall unacceptably short of the legal standard, or where a failure to comply has led to death or injury, matters may be referred direct to the courts for consideration.

23 **Fatal accidents** - In the event of a fatal accident in England & Wales, 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. In Scotland, inspectors will liaise with the Procurator Fiscal and Police in accordance with the [Scotland Work Related Deaths Protocol](#).

Stakeholders

24 In the main, technical solutions to the issues that affect the industry are available. Failures of risk controls and associated failures in legal compliance frequently arise because either insufficient attention is given to identifying and controlling risks, or solutions once applied are not maintained. These issues can only be addressed by focussing on health and safety leadership throughout the industry and ensuring adequate competence at every level. In

particular the workforce needs to be not only competent to understand what is necessary and what should be in place to protect them, but they also need to be actively engaged in major hazard control and identifying ingrained failures.

25 Equally, innovative solutions to some issues emerge and lessons are learned from incidents etc. about how better to implement and maintain established processes and procedures. This learning is a valuable resource and should be available to and exploited by the whole industry. Stakeholders must encourage and facilitate the identification and sharing of important learning across the industry and support duty holders in applying that learning.

26 The economic and strategic importance of the sector means there is a wide range of influential stakeholders. Key stakeholders must drive improvements in leadership and competence. The key representatives and the roles they can play are set out below.

27 **Department of Energy and Climate Change (DECC)** DECC license oil and gas exploration and extraction, taxation and decommissioning. DECC's activities in these areas influence the structure of the industry but not directly HSE's approach. By securing the continued safe operation of the sector, HSE supports DECC's aim of securing a long-term, resilient supply of oil and gas to the UK.

28 DECC inspectors are also responsible for the regulation of marine pollution and environmental protection. In general, HSE's objective of ensuring asset integrity and hence the containment of oil and gas within pipelines and the processing plant on the installations, supports the objectives of DECC. HSE and DECC undertake coordinated activities in line with a Memorandum of Understanding. With the implementation of the new Offshore Directive, this joint working will become further focused by the creation of a joint safety and environment Competent Authority. DECC and HSE are working together to develop working arrangements in advance of implementation of the Directive.

29 **Step Change in Safety** Step Change is the industry's primary safety organisation. Its Leadership team consists of senior industry leaders, including trades unions, workforce representatives and the Head of HSE's Energy Division. It provides essential direction to improve health and safety performance across the whole of industry. It does particularly valuable work in emphasising the importance of leadership at all levels and the involvement of the workforce in improving safety standards. Step Change will continue to be an essential partner for HSE in taking forward this strategy. In particular, Step Change will emphasise the importance of health and safety leadership. The Leadership team will work to ensure implementation of existing Step Change advice on competence, worker engagement and its hydrocarbon release reduction programme. Individual members will act as leadership exemplars.

30 **Oil and Gas UK (OGUK)** OGUK is a key trade association which draws its membership from across operators, contractors and other Trades

Associations representing them. OGUK recognises the importance of good health and safety standards in the sector and works to encourage all their membership to adopt high standards. OGUK supports Step Change in Safety.

31 **RMT and Unison** Both unions are effective representatives of their membership. They participate in Step Change and senior officials are valuable members of the Leadership Team. HSE will continue to work with both RMT and Unison to engage the workforce in improving health and safety conditions.

32 **Elected Safety Representatives** Safety representatives, whether union members or not, are an essential and effective link between management and workforce. They have done much valuable work in raising standards of personal safety offshore. They will also be a valuable link in raising the awareness of major hazard risk amongst the workforce. In particular, HSE inspectors will ensure they engage with safety representatives whenever they conduct inspections or investigations offshore.

33 **Offshore Industry Advisory Committee (OIAC)** OIAC is a tripartite committee chaired by HSE's Head of Energy Division. It is an important forum for the discussion of health & safety matters in the offshore industry.

34 **Worker Engagement Support Team (WEST)** WEST is a newly formed body merging the Worker Involvement Group of OIAC and the Worker Engagement Group of Step Change. It will work to engage workers in understanding and driving improvements in awareness of major hazard risks and individual competence.

35 **International Association of Drilling Contractors (IADC)** The IADC represents the major drilling contractors and its mission includes improving the industry's healthy, safety and environmental practices.

36 **Offshore Contractors Association (OCA)** Contractors employ approximately 80% of those actually working offshore. Many of their members also belong to OGUK. However, until recently, OCA as a body has not been closely engaged in carrying forward health and safety issues. Recent contacts with OCA indicate they may be able to add value to the health and safety system by being more engaged in discussion and consultation. For example, as employers of so many members of the workforce, they can do much to ensure basic competence and awareness of major hazard risks. HSE will aim to strengthen links with the OCA.

37 **British Rig Owners' Association (BROA)** BROA represents owners and managers of offshore units, including Mobile Offshore Drilling Units (MODU's). BROA provides a forum for discussion of common interests and cooperation with UK Government, the International Maritime Organisation (IMO) and the EU. There is an opportunity to catalyse development of sharing of good practice with their membership.

38 **Verification and Well Examination** Dutyholders are required to appoint an independent competent person (ICP) for their offshore Verification and Well Examination Schemes. ICPs therefore play an important role in providing assurance that major hazard risks are controlled.

39 **OPITO** OPITO is the focal point for skills, learning and workforce development. It defines basic safety training for all offshore workers. The training provided to workers supports the good performance on personal safety issues. For the future, raising awareness of major hazard risk should be incorporated within basic training arrangements.

40 **Maritime and Coastguard Agency (MCA)** MCA has primary responsibility for maritime safety. HSE will work with MCA on issues where operations associated with offshore activities on floating installations such as MODUs and FPSOs impinge on their sea-going integrity/safety or where vessels approaching an installation can threaten the structure or stability of an offshore installation through collision or other impact.

41 **Civil Aviation Authority (CAA)** CAA has responsibility for aircraft flight safety. Whilst the safety of helicopter transport to and from installations is a major concern for both workers and HSE inspectors, HSE has neither the vires, nor expertise to play a major role in this area. HSE will support any requests for participation received from CAA and follow advice on helicopter transport, but otherwise the lead for safety of aircraft in flight falls to CAA. HSE will continue to ensure that heli-decks on offshore installations are safe and appropriately constructed.