

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE HEALTH AND SAFETY EXECUTIVE
AND
THE PETROLEUM SAFETY AUTHORITY NORWAY
CONCERNING
HEALTH AND SAFETY INTERVENTIONS RELATED TO
PIPELINES AND OFFSHORE INSTALLATIONS
GOVERNED BY AGREEMENTS
BETWEEN THE UNITED KINGDOM AND NORWAY

October 2012

PART I: GENERAL INFORMATION

1. Introduction

There are a number of existing Agreements between the Governments of the United Kingdom and Norway that include provisions for proper consultation and co-operation between the Health and Safety Executive and the Petroleum Safety Authority Norway when undertaking health and safety interventions.

The existing Agreements are:

Ekofisk-Teesside Agreement:

Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Norway relating to the transmission of petroleum by pipeline from the Ekofisk field and neighbouring areas to the United Kingdom, dated 22 May 1973, and the Exchange of Notes between the two Governments, dated 27 July 1994.

Frigg-St. Fergus Agreement:

Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Norway relating to the amendment of the agreement of 10 May 1976 relating to the exploitation of the Frigg Field Reservoir and the transmission of gas therefrom to the United Kingdom, dated 25 August 1998, and the exchange of notes between the two Governments, dated 21 June 2001.

Statfjord Field Agreement:

Agreement between the Government of the Kingdom of Norway and the Government of the United Kingdom of Great Britain and Northern Ireland relating to the exploitation of the Statfjord Field Reservoirs and the offtake of petroleum therefrom dated 16 October 1979, and the Agreements supplementary to that Agreement, dated 22 October 1981 and 22 June 1983.

Murchison Field Agreement:

Agreement between the Government of the Kingdom of Norway and the Government of the United Kingdom of Great Britain and Northern Ireland relating to the exploitation of the Murchison Field Reservoir and the off take of petroleum, dated 16 October 1979.

Heimdal-Brae Agreement:

Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Norway relating to the transmission by pipeline of Heimdal liquids to the United Kingdom, dated 21 November 1985 and amendment of 1 November 2004.

Framework Agreement – Interconnecting Submarine Pipelines:

Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Norway relating to the laying, operation and jurisdiction of inter-connecting submarine pipelines, dated 25 August 1998.

Framework Agreement – Cross-Boundary Petroleum Co-operation:

Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Norway concerning Cross-Boundary Petroleum Co-operation, dated 4 April 2005.

2. Objective of the MoU

The objective of this MoU is to set out mutual understandings regarding those principles and arrangements which the Health and Safety Executive (hereinafter referred to as HSE) and the Petroleum Safety Authority Norway (hereinafter referred to as PSA) have agreed will apply where appropriate to enhance practical co-operation relating to petroleum fields, installations and pipelines governed by existing Agreements. The arrangements will apply only insofar as is necessary in order to implement the obligations of existing Agreements and to facilitate the exchange of information on safety related issues. These steps will help the national authority which has legal jurisdiction for the petroleum fields, installations and pipelines concerned to better plan for, and conduct, health and safety interventions activities.

Nothing in this MoU should be construed as affecting any of the rights or obligations provided for under the Agreements set out in paragraph 1 of this MoU.

3. Meaning of terms used in this MoU

In this document terms listed below have the following meaning:

Pipeline and Offshore Installation:

HSE and PSA will work to the pipeline and offshore definitions within their national health and safety legislation.

Health and safety Interventions*:

Only the national authority (HSE or PSA) which has legal jurisdiction for the petroleum fields, installations and pipelines concerned, can undertake health and safety interventions. The other national authority can support such activities by providing practical co-operation, including the provision of information. This does not include a national regulatory authority (HSE or

PSA) taking enforcement action in the petroleum fields, offshore installations and pipelines which are subject to the national laws of the other national regulatory authority.

** Health and safety interventions:*

UK: All regulatory interactions with duty holders and their installations and pipelines from permissioning (safety case assessment), inspection, investigation and enforcement (serving improvement notices, prohibition notices or prosecutions) during the life cycle of the installation and/or pipeline.

Norway: All type of Supervisory activities like audits, verifications, investigations, consents, meetings with the industry, surveys etc. The supervision is relevant for all phases of the activity, from development of new facilities to abandonment of facilities.

Inter-connecting pipelines:

Information on the meaning of "Inter-connecting pipelines" is contained in Article 3 of the Framework Agreement – Interconnecting Submarine Pipelines.

Trans-Boundary reservoir:

Information on the meaning of "Trans-boundary reservoir" is contained in Article 1.2 of the Framework Agreement – Cross-Boundary Petroleum Co-operation.

Cross-Boundary pipeline:

Information on the meaning of "Cross-Boundary pipeline" is contained in Article 1.2 of the Framework Agreement – Cross-Boundary Petroleum Co-operation.

Host Facility:

Information on the meaning of "Host Facility" is contained in Article 1.2 of the Agreement – Cross-Boundary Petroleum Co-operation.

Langeled South:

Information on the meaning of "Langeled South" is contained in Article 1.2 of the Agreement – Cross-Boundary Petroleum Co-operation.

4. Pipelines, fields and installations governed by the existing Agreements

See Appendix 1 to this MoU.

5. The role and legal basis for health and safety Interventions

In Norway: See Appendix 2 of this MoU.

In the United Kingdom: See Appendix 3 of this MoU.

PART II: PRACTICAL ARRANGEMENTS FOR CO-OPERATION IN HEALTH AND SAFETY INTERVENTIONS

6. Co-ordinating authority

HSE and PSA have appointed PSA to co-ordinate general communications (e.g. requests for information) with the operating companies associated with the pipeline systems and offshore installations governed by the Agreements. This will not include communications directly associated with a national authority's statutory responsibilities.

Notwithstanding the co-ordinating role of PSA, UK and Norwegian law will apply in accordance with the existing Agreements.

When carrying out intervention activities jointly, one of the authorities will be assigned a co-ordinating role (ref. Paragraph 7).

In order to enhance efficient co-operation HSE and PSA will make arrangements for proper assessment of differences between their relevant respective legal provisions pertaining to the safety of the pipeline systems and offshore installations. In line with the Agreements, they will also consult each other to seek to ensure that where possible their respective construction and safety standards are compatible. If standards are not compatible, the standards that are applied by the national authority conducting the intervention will apply. The operating companies will be involved in that process as deemed appropriate.

7. Planning and conducting health and safety intervention activities

To improve co-ordination of regulatory action HSE and PSA will each forward to the other for comment relevant elements of their proposed intervention plans (outlining the inspection, investigation and enforcement activity planned) covering pipelines and offshore installations governed by the Agreements. In order to achieve efficient co-operation in the conducting of intervention activities or to ensure compliance with specific requirements of an Agreement, a yearly review of all such activities will be performed.

If HSE or PSA needs to intervene with the operating companies, information on such contact should be forwarded without delay to the other party (while complying with national laws relating to data protection, freedom of information and disclosure of information).

In relation to health and safety intervention activities carried out jointly where one authority (with the legal jurisdiction for that activity) has been assigned a co-ordinating role, this authority will be responsible for arranging the practical matters concerned (e.g. liaising with the operator and arranging transport to the installation). When such joint intervention activities have been conducted the authority responsible for co-ordinating the activity will forward a draft report to the other authority for refinement (including an opinion on enforcement action, should that action be needed) and agreement before the final report is sent to the operator. When necessary, the national authority with the legal jurisdiction for the activity concerned will take forward any further action agreed (e.g. a follow up inspection).

The two authorities will keep each other informed about the results of their intervention activities relating to pipelines and offshore installations governed by the existing Agreements.

8. Handling of applications for consents and exemptions and taking enforcement or equivalent action etc.

Applications for safety related consents, exemptions from legal provisions, etc. with regard to pipelines and offshore installations governed by the Agreements, will be submitted to the authority which is responsible for the pipeline or offshore installation under national law. When such applications relate to offshore installations or pipelines governed by the Agreements the authorities will consult one another when practicable before they are consented to or granted as a measure to ensure a co-ordinated approach to regulatory decision-making.

The authorities will, where practicable, liaise with one another before taking enforcement or equivalent action. Copies of consents, exemptions, licenses or other legal documents issued by one authority will be made available to the other (while complying with national laws relating to data protection, freedom of information and disclosure of information).

9. Exchanging information on safety related issues

The authorities will exchange relevant information on accidents and dangerous occurrences on their respective continental shelves, technical

information gained from research activities and from operation of offshore installations in general, including pipeline operation, and legislative development as a measure to enhance their professional competence. In doing this, HSE and PSA will comply with national laws relating to data protection, freedom of information and disclosure of information.

For example, under the Freedom of Information Act, Data Protection Act and the Environmental Information Regulation in the UK:

- HSE as a public body has duties under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004 to disclose particular pieces of information that they hold. They are also bound by the provisions of the Data Protection Act 1998.
- There are exemptions and exceptions to disclosure and there are rigorous internal procedures to check if any information meets those restrictions.

Similarly PSA has duties under the Norwegian Freedom of Information Act and the Public Administration Act.

Arrangements will be made to ensure that information on major incidents/accidents is given without delay. In this context the UK/Norway Special Working Group (a group of senior officials from Norway and the UK who meet twice a year to share information and experiences) will contribute with necessary measures.

10. Revisions of the MoU

The authorities will review their experiences related to the practical application of the arrangements in this MoU at regular intervals, and make revisions as appropriate.

11. Status of the MoU

The arrangements provided for in this MoU do not exempt HSE or PSA from their obligations under national law. If it appears that activities under this MoU contradict such obligations, HSE and PSA will consult with a view to rectifying the matter.

HSE and PSA would use its enforcement powers only in relation to its national law duty holders and such duty holders would only be expected to act on the advice or instruction of their own national regulator (PSA or HSE).

If there are any disputes over the content of this MoU, how it is implemented, these will be referred to the UK/Norway Special Working Group (SWG) for clarification and resolution.

12. Cost Recovery

While undertaking inspection activities in the UK, HSE will seek full cost recovery when appropriate (for work associated with offshore installations and any associated major accident pipeline within 500m of an installation). For any pipelines out with 500m of an installation, HSE will seek full cost recovery under the Fee For Intervention cost recovery scheme for any work where there has been a material breach by the duty holder of health and safety legislation. Details of HSE's cost recovery schemes can be found on the HSE website. HSE will not charge for the time spent on supporting Norwegian based activities; and conversely PSA will not charge for PER time spent on supporting UK based activities.

On the Norwegian Continental Shelf cost recovery is regulated in Regulations relating to refunding of expenses in connection with regulatory supervision of safety, working environment and resource management in the petroleum activities

13. Distribution of copies of the MoU

For the purpose of enhancing regulatory predictability a copy of this MoU and appendices along with any revisions will be sent to each operator of those pipelines and offshore installations which are governed by the Agreements and published on the PSA and HSE websites.

14. Date of application and termination of the MoU

This MoU came into operation on the date of signature. It can be terminated by either side on 6 months notice. Such termination will be notified to each operator covered by the arrangements in paragraph 14.

15. Signed

Signed for and on behalf of the **Health and Safety Executive**:

Date:

S. V. Wallace

23/10/12

Signed for and on behalf of the **Petroleum Safety Authority Norway**:

Date:

M. Ognedal

23/10-12

APPENDIX 1

OF

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE HEALTH AND SAFETY EXECUTIVE

AND

THE PETROLEUM SAFETY AUTHORITY NORWAY

CONCERNING

PIPELINES, FIELDS AND OFFSHORE INSTALLATIONS

GOVERNED BY THE EXISTING AGREEMENTS

October 2012

	Norwegian Shelf		United Kingdom Shelf	
	Fields/Installations	Pipelines/risers	Fields/Installations	Pipelines/risers
Ekofisk-Teesside Operator:		34" Oil ConocoPhillips Scandinavia	36/22, 37/4* ConocoPhillips Scandinavia	34" Oil ConocoPhillips Scandinavia
Frigg-St. Fergus** Operator:	DP1***, DP2, TCP2 Total E&P Norge AS		CDP1, TP1, QP Total E&P Norge AS	32" Gas from TP1** Total E&P UK plc
Operators:		32" Gas from TCP2** Gassco AS	MCP01 Total E&P UK plc	32" Gas from TCP2** Gassco AS
Operator:		32" Gas from Heimdal (Vesterled) Gassco AS		32" Gas from Heimdal (Vesterled) Gassco AS
Statfjord Field Operators:	Statfjord A, B, C Statoil ASA	12" Gas from Statfjord B to FLAGS BP Exploration Operating Co Ltd		12" Gas from Statfjord B to FLAGS BP Exploration Operating Co Ltd
Murchison Field Operator:			211/19 A CNR International (UK) Ltd.	16" Oil CNR International (UK) Ltd.
Heimdal-Brae Operators:	Heimdal 25/4 A Statoil ASA	8" Condensate Statoil ASA	Brae South A Marathon Oil UK Ltd	8" Condensate Norsk Hydro Produksjon AS
Sleipner-Easington Operator:		44" Gas from Sleipner (Langed South) Gassco (operation phase)		44" Gas from Sleipner (Langed South) Gassco (operation phase)
Blane Field Operators:	Trans-Boundary Reservoir <i>Paladin Resources plc</i>	Production to ULA BP	Trans-Boundary Reservoir Paladin Resources plc	
Enoch Field Operators:	Trans-Boundary Reservoir Paladin Resources plc		Trans-Boundary Reservoir Paladin Resources plc	Production to Brae A Marathon Oil UK Ltd
Rev Field Operators:	Trans-Boundary Reservoir Talisman Energy Norge		Trans-Boundary Reservoir Talisman Energy Norge	Production to Armada A BG Group
Alvheim-SAGE	Alvheim Marathon Petroleum Norge AS	14" Gas from Alvheim to SAGE – Marathon Petroleum Norge AS		14" Gas from Alvheim to SAGE – Marathon Petroleum Norge AS

MEMORANDUM OF UNDERSTANDING BETWEEN THE HEALTH AND SAFETY EXECUTIVE AND THE PETROLEUM SAFETY AUTHORITY
 NORWAY CONCERNING HEALTH AND SAFETY INTERVENTIONS RELATED TO PIPELINES AND OFFSHORE INSTALLATIONS
 GOVERNED BY AGREEMENTS BETWEEN UK AND NORWAY – OCTOBER 2012

Tampen Link Operators:	Statfjord A, B, C Statoil ASA	32" Gas from Statfjord to FLAGS Gassco AS	FLAGS Shell UK	32" Gas from Statfjord to FLAGS Gassco AS
Gjøa – FLAGS Operators	Gjøa GDF Suez	28" Gas Pipeline Gassco AS	FLAGS Shell UK	28" Gas Pipeline from Gjøa to FLAGS Gassco AS
Gaupe – Armada Operators:	Gaupne BG Norge AS	Two 8"/12" pipe in pipe pipelines BG Norge AS	Armada BG Group	Two 8"/12" pipe in pipe pipelines BG Norge AS
Peik – Bruce Operators:	Peik Centrica Resources (Norge) AS		Bruce BP	
Brynhild - Pierce Operators:	Brynhild Lundin Norway AS	Production and Water injection pipeline Lundin Norway AS	Pierce Shell	Production and Water injection pipeline Lundin Norway AS
Knarr Gas Export Operators:	Knarr BG Norge AS	12" Gas pipeline Gassco AS	FLAGS Shell UK	12" Gas pipeline Gassco AS
Martin Linge Gas Export Operators:	Martin Linge TOTAL E&P NORGE AS	24" Gas pipeline TOTAL E&P NORGE AS	TP1 Bypass Skid TOTAL E&P UK Ltd	24" Gas pipeline TOTAL E&P NORGE AS

*) The Ekofisk Agreement defines these installations as being part of the pipeline, whereas they are viewed as installations according to UKCS legislation.

**) The Frigg field was shut down 26.10.2004

***) Steel jacket misplaced during installation.

APPENDIX 2

OF

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE HEALTH AND SAFETY EXECUTIVE

AND

THE PETROLEUM SAFETY AUTHORITY NORWAY

CONCERNING

THE ROLE AND LEGAL BASIS FOR

HEALTH AND SAFETY SUPERVISION

IN NORWAY

October 2012

The Petroleum Safety Authority Norway (PSA) was created as an independent government regulator on 1 January 2004. It is located in Stavanger and has just over 160 staff.

Subordinate to the Ministry of Labour, the PSA has regulatory responsibility for safety, emergency preparedness and the working environment in the petroleum sector. This responsibility was taken over from the Norwegian Petroleum Directorate (NPD) when the PSA was created.

At the same time, the agency's regulatory authority was extended to cover safety, emergency preparedness and the working environment in petroleum related plants and associated pipeline systems at Melkøya, Tjeldbergodden, Nyhamna, Kollsnes, Mongstad, Stura, Kårstø and Slagentangen. Possible future integrated petroleum facilities will also be its responsibility.

The PSA's regulatory authority

The PSA is the regulator for technical and operational safety, including emergency preparedness, and for the working environment in all phases of the petroleum activity - such as planning, design, construction, use and possible later removal.

Authority has been delegated to the PSA by the Ministry to issue more detailed regulations for safety and the working environment in the industry, and to take specific decisions in the form of permits and consents, orders, enforcement fines, halting operations, prohibitions, dispensations and so forth.

The PSA's duties

The government has given the PSA the following duties:

- through its own audits and in cooperation with other regulatory authorities in the HSE area, the PSA will ensure that the petroleum activity and activities relating to it are supervised in a unified manner.
- the PSA will also provide information and advice to the players in the industry, establish appropriate collaborative relationships with other HSE regulators nationally and internationally, and contribute actively to a transfer of knowledge from the HSE area to society in general.
- the PSA will provide input to the supervising ministry on issues being dealt with by that ministry, and support the ministry on issues at request.

Coordination

The government has specified that the PSA will be one of three powerful coordinators for HSE regulation covering industry and society. This coordinator role relates to the development of regulations and to monitoring that they are being observed. It also involves extending, further developing and expanding the key principles of the regulatory regime established in 1985.

This regime embraces the PSA's coordinatory role in relation to other regulators with independent authority in the HSE area. For the offshore part of the activity, these are the The Climate and Pollution Agency (the former SFT), the Norwegian Board of Health and the Norwegian Radiation Protection Authority. The Coastal Directorate and the Norwegian Industrial Safety Organisation are also involved on the land side. Appropriate collaborative relations must also be established with local authorities and county councils.

Otherwise, the requirement for coordination involves no changes to the formal authority of the various agencies to take decisions pursuant to prevailing legislation and delegated powers.

The PSA supplements its own expertise by drawing on support from other government agencies, institutions and companies with specialist expertise, on the basis of existing collaboration agreements.

Regulatory principles

The ministry has provided the following guidelines on how the PSA should discharge its duties:

- audits should be system-oriented and risk-based
- audits should be a supplement to and not a replacement for internal control by the industry
- the PSA must strike a balance between its role as high-risk/technology regulator and a labour inspection authority
- contributing to and collaborating with companies and unions represent a crucial requirement for and principle in the PSA's operations.

APPENDIX 3

OF

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE HEALTH AND SAFETY EXECUTIVE

AND

THE PETROLEUM SAFETY AUTHORITY NORWAY

CONCERNING

THE ROLE AND LEGAL BASIS FOR

HEALTH AND SAFETY INTERVENTIONS

IN THE UNITED KINGDOM

October 2012

GENERAL INFORMATION ON THE UNITED KINGDOM REGULATORY REGIME WITH RESPECT TO OFFSHORE PETROLEUM RELATED ACTIVITIES

PURPOSE OF STATUTORY INTERVENTION

HSE's Offshore Division (OSD) is responsible for regulating safety in the UK's offshore oil and gas industry. OSD's mission is to protect people's health and safety by ensuring risks, in the changing workplace, are properly controlled.

BASIC FEATURES OF THE UK LEGISLATIVE SYSTEM

The primary UK health and safety legislation is the Health and Safety at Work etc Act 1974. This Act imposes general duties on employers to control the risks to persons arising from their work activities. The Act also imposes a number of duties on employees.

Importantly, the Act contains one of the fundamental tenets of UK health and safety law, that of 'reasonably practicability' as a test of compliance with the general duty.

The scope of the Health and Safety at Work etc Act 1974 has been extended to apply to offshore installations, wells and pipelines by means of the Health and Safety at Work etc Act 1974 (Application outside Great Britain) Order 2001 (This Order will be replaced by an updated Order in April 2013).

Secondary legislation, Regulations, have been made under the Health and Safety at Work etc Act 1974 to cover discrete subjects. The effective management of health and safety is the key feature of all such supporting legislation.

OFFSHORE SAFETY LEGISLATION

A number of Regulations apply specifically to the offshore sector. Primarily they impose duties on installation owners and operators, licensees, well operators and pipeline operators.

The Offshore Installations (Safety Case) Regulations 2005 [SCR] require all offshore installations to be operated in UK waters to have a safety case accepted in writing by HSE before they start operating. Those parts of an installation that are identified as critical for the safety of the installation must be verified as suitable by an independent and competent person.

Preparing a safety case requires operators/owners to describe management systems and show a systematic and structured approach to managing the major hazards on the installation.

A safety case is the means by which a duty holder shows that:

- all hazards that could cause a major accident have been identified and evaluated;
- controls are in place to ensure that the relevant statutory provisions will be complied with; and
- the management system is adequate to ensure compliance with all health and safety law.

The Offshore Installations and Pipeline Works (Management and Administration) Regulations 1995 [MAR] set out requirements for the safe management and administration of an offshore installation, such as the use of permit to work systems. Operators/owners are required, for example, to:

- appoint a competent manager to be in charge of the installation; and
- ensure the safety of the helideck and helideck operations and appoint a competent person to control all helideck operations.

The Offshore Installations (Prevention of Fire and Explosion, and Emergency Response) Regulations 1995 [PFEER] provide for the protection of people from fire and explosion, and for securing effective emergency response. Operators/owners are required, for example, to:

- take measures to prevent fires and explosions and provide protection from any which do occur; and
- provide effective emergency response arrangements.

The Offshore Installations and Wells (Design and Construction, etc) Regulations 1996 [DCR] are aimed at ensuring the integrity of installations, the safety of offshore and onshore wells, and the safety of the workplace environment offshore. Operators/owners are required, for example, to:

- ensure the installation is structurally sound, stable and, if necessary, buoyant;
- measures to ensure well integrity;
- provide, maintain and keep clean accommodation, washing and toilet facilities; and

- ensure workplaces are clean, well ventilated, of a reasonable temperature and not overcrowded.

PIPELINE LEGISLATION

Offshore pipelines and pipe laying activities are regulated by requirements made under the Petroleum Act 1998, the Health and Safety at Work etc Act 1974 and its relevant statutory provisions, primarily The Pipelines Safety Regulations 1996. These Regulations are structured to apply a series of general duties to all relevant pipeline operators and cover design, materials, construction, operations, maintenance and decommissioning.

Additional duties are applied to operators of major accident hazard pipelines (MAHP), which are defined as those conveying 'dangerous fluids'; these additional duties include notification to HSE prior to construction of a new pipeline, prior to use or re-use of a pipeline and prior to certain changes which could affect the level of risk to, or from, a pipeline. Also Emergency shut-down valves (ESDV's) are required to be fitted to all risers of MAHP's of 40mm or more in diameter at offshore installations and operators must have adequate emergency procedures and a Major Accident Prevention Document for all MAHP's.

Pipelines are also subject to an authorisation regime under the Petroleum Act 1998 and managed by the UK Government's Department of Energy and Climate Change [DECC]; HSE provides technical advice and assessment on safety, related aspects of the proposals. A Works Authorisation (PWA) is required from DECC prior to commencement of pipeline works. This applies to UK territorial sea and any part of the sea on the UK Continental Shelf. A PWA is required for pipelines used for the conveyance of hydrocarbons, water, chemicals, apparatus for the supply of energy for operations, hydraulic control lines or umbilicals as well as services (for example the provision of fuel or power). A PWA primarily deals with pipeline routing. Separate joint Guidelines prepared by DECC and the Norwegian Petroleum Directorate exist to cover the Development of Trans-Boundary Oil and Gas Fields.

OTHER LEGISLATION

Other Regulations made under the Health and Safety at Work etc Act 1974 apply both onshore and offshore. They address hazards common to all industries, for example:

- manual handling;
- working at height;
- noise, radiation and vibration
- hazardous substances
- use of work equipment; and
- lifting operations.

ORGANISATION OF HEALTH AND SAFETY REGULATION

Statutory responsibility for the monitoring and enforcement of health and safety standards associated with work activities rests with the Health and Safety Executive. On 1 April 2008, HSC and HSE merged, and HSE is now the national regulatory body responsible for promoting the cause of better health and safety at work in Great Britain. HSE is accountable for what we do and the way we use resources to: the public; Parliament; and our sponsoring department, the Department for Work and Pensions (DWP).

HSE is now governed by its Board and Senior Management Team (SMT). The Executive Board has ten members who are appointed following consultation with representative groups including employers, employees, local authorities, unions and others.

HSE's Offshore Division (OSD) is responsible for regulating the risks to health and safety arising from work activity in the offshore oil and gas industry on the UK Continental Shelf (UKCS). To ensure workplace risks are properly controlled offshore, OSD undertakes a range of interventions:

- assessment and acceptance of safety cases
- inspection of notifications (e.g. pipeline, offshore installation and well);
- planned preventive inspection;
- investigates accidents and incidents;
- Inspection of safety case thorough reviews
- formal enforcement (e.g. notices and prosecutions)
- provides advice, guidance and information
- initiates research and development

- influences technical standards
- develops policy

HSE has no direct responsibility for environmental matters associated with oil and gas exploration and exploitation which are within the remit of the Department of Energy and Climate Change [DECC]. However, by ensuring pipelines, offshore installations and wells are designed, constructed and operated safely in compliance with the UK's health and safety legislation, operators will ensure pipeline, offshore installation and well integrity, thereby reducing risks to the environment.

Marine safety is dealt with by the Maritime and Coastguard Agency which is an executive agency of the Department for Transport [DfT]. Certain duties under health and safety legislation do interface, and may overlap, with marine safety legislation requiring close co-operation on such issues. A MoU exists to ensure effective coordination between both parties.

INTERVENTION ACTIVITIES

As indicated above, standards of compliance with regulatory requirements are monitored and enforced in a number of ways. Scrutiny of the safety case as part of HSE's assessment process enables key issues to be highlighted for subsequent intervention with duty holders and follow-up inspections.

The process of HSE assessment of the safety case and the inevitable resulting self analysis by duty holders of their systems and procedures ensures a constant development of safety management systems and improvements in safety standards. It also provides HSE with opportunities to influence such changes and obtain improvements in health and safety as part of assessment and acceptance. Significant resources are therefore devoted to assessment of Safety Cases.

Safety cases are submitted to OSD in compliance with the Offshore Installations (Safety Case) Regulations 2005 (SCR05). The 1992 Safety Case Regulations had a significant impact on offshore major hazard management and control. The revised Safety Case Regulations [SCR05] continue to play a very important role in this area. The main impact of the changes brought about by SCR05 is in effect a reduction in desk based safety case assessment in favour of increased front line inspection with duty holders. Nevertheless safety case assessment will remain an important part of the division's work, as will be the handling of the various notifications required by SCR05.

A codified approach to assessment of these safety cases is adopted providing consistency in standards, quality of acceptance decisions and transparency in the records that show how key decisions were reached.

OSD's aims in carrying out safety case assessment are:

- to contribute to OSD's overall mission of ensuring that risks to people from work activities in the upstream petroleum and diving industries are properly controlled,
- to confirm whether or not a safety case contains sufficient particulars to enable OSD to reach an informed judgement that a satisfactory case for health and safety has been made,
- to discharge on behalf of the Executive the responsibility for the acceptance of safety cases which provide a satisfactory case for health and safety,
- to contribute to OSD's intervention strategy for individual installations and duty holders (with enforcement action where appropriate);
- to contribute to the planning of OSD's programmes of health and safety compliance, promotion and research.

OSD's approach is to treat each assessment as a single, multi-disciplined evaluation activity (conducted within a specified timescale) but which is also part of a continuing process of intervention during the lifetime of the installation. OSD manages the process of making acceptance decisions with great care. Assessment has to be objective, but it is a targeted, interactive process with the duty holder which involves the exercise of professional judgement by Inspectors within the framework provided by the guidance. There is no single 'acceptance model' against which decisions are made.

Inspection of the installations and associated activities [diving, wells and pipelines] against legal requirements and issues arising from safety case assessment is also a key part of HSE's regulatory work. This often involves an initial inspection of a pipeline, well or offshore installation notification to HSE, which enables early contact with the duty holder and the pro-active consideration of design issues. HSE also investigates accidents and other incidents.

In addition, HSE operates a series of key programmes which target specific areas of concern for inspection such as installation asset integrity and Ageing & Life Extension.

PLANNING OF WORK

The objective of intervention planning is to identify and prioritise future intervention activity. This is done by considering duty holder performance, along with current HSE and Divisional plans, projects and topic issues. Items are prioritised based on their relative importance and on the resources available.

Planning is led by the lead inspector for the duty holder, with all relevant topic teams invited to contribute. The scale of the work reflects the size and risk profile of the duty holder, and the nature and importance of the issues. It includes the duty holder planning event, which may involve a single meeting or several topic meetings. The agenda for the planning event includes:

- Agreeing the current position regarding duty holder performance, including any changes to management, facilities or operations,
- Identifying issues which need to be resolved, such as:
 - degraded safety critical items,
 - maintenance backlogs for safety critical items
 - Red or amber inspection traffic lights for risk control systems,
 - Shortfalls in legal compliance,
- Considering the likely effect of HSE and OSD programmes and projects on the duty holder,
- Reviewing the resources available for intervention during the year, and
- Deciding the intervention priorities

Each proposed intervention has assigned to it:

- The installation(s) involved,
- A reference number for tracking,
- The resources, and
- The likely timing.

Duty holder intervention plan

The lead inspector records proposed interventions on a new duty holder intervention plan. Plans are required for major operating and drilling contractors as well as duty holders. Their assets can be grouped by field, class or hazard. The plan:

- takes forward proposed activities in a controlled and auditable way,
- identifies resources, and

- monitors activities to close-out.

Part 1 of the plan summarises the work to be carried out, to provide an overview and to ensure all relevant areas are covered.

The intervention descriptions in Part 2 are brief, referring to more detail elsewhere if needed. Part 3 lists new activities which arise during the year, and existing activities which are incomplete or delayed. The plan is made available to topic teams, and to other inspection teams with responsibilities for the duty holder.

HSE's work is subject to an annual planning cycle. Priorities are identified and inspection plans are developed for installations on issues arising from the assessment of safety cases, accident and incident history and results of previous inspections and audit activities. These plans are also influenced by HSE's own priorities. Regulatory activities associated with the integrity of wells during drilling and subsequent intervention activities are likely to be dictated by the activities of duty holders and detailed advanced planning is more difficult. Provision in the plan of work is also made for inspection and regulatory activities associated with diving activities, construction [heavy lift] and pipe laying operations.

Pipeline Operator Integrity Reviews

HSE Pipeline Inspectors will periodically meet with the operator of a pipeline to review the operation and maintenance of their major accident hazard pipelines, the results of integrity management inspections and to discuss proposals for forthcoming new pipeline projects. More detailed audits or inspections of pipeline safety management system arrangements are carried out based on operator performance and history of problems. Offshore pipeline inspections are normally carried out in conjunction with an inspection of the associated offshore installations.