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Health and Safety Commission

Annual Report



and the Health and Safety Commission/Executive

Accounts 2001/02

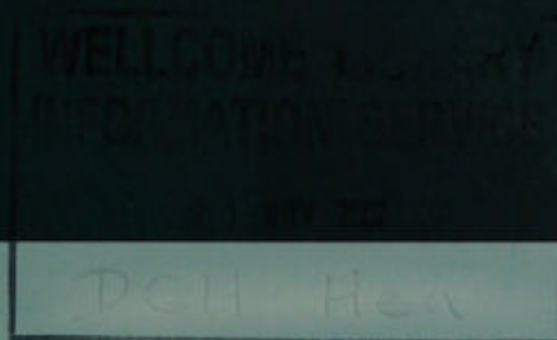
HSC'S MISSION STATEMENT

To ensure that risks to
people's health and safety
from work activities
are properly controlled



22501545334

Health and Safety Commission
Annual Report
and the Health and Safety Commission/Executive
Accounts 2001/02



Presented to Parliament by the Secretary of State in pursuance of section 10(6) and paragraph 15 of Schedule 2 to the Health and Safety at Work etc Act 1974 and by the Comptroller and Auditor General in pursuance of section 10(6) and paragraphs 14 and 20 of Schedule 2 of the Health and Safety at Work etc Act 1974.

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PREFACE

Responsibility for the Health and Safety Commission (HSC) and Health and Safety Executive (HSE) transferred to the Department for Work and Pensions on 24 July 2002.

Departmental responsibility for HSC/E previously lay with the Department of Transport, Local Government and the Regions, and until June 2001 with the Department of Environment, Transport and the Regions.

The Health and Safety at Work etc Act 1974 established the Health and Safety Commission (HSC) and the Health and Safety Executive (HSE). HSC's primary function is to make arrangements to secure the health, safety and welfare of people at work and the general public. The work includes proposing new laws and standards, conducting research and providing information and advice. HSE advises and assists HSC and, together with local authorities (LAs), has day-to-day responsibility for enforcing health and safety law, investigating accidents, licensing and approving standards in particularly hazardous areas and commissioning research.

Our **mission** is to ensure that risks to people's health and safety from work activities are properly controlled.

Our **goals** are to continue to reduce injury rates; to continue to reduce work-related ill health and consequent days lost from work; to continue to improve the working environment; and to prevent major incidents with catastrophic consequences occurring in high-hazard industries.

THE HEALTH AND SAFETY COMMISSION 2001/02

Chair

Bill Callaghan. Appointed Chair of the Health and Safety Commission on 1 October 1999. He was previously the Chief Economist and Head of the Economic and Social Affairs Department at the Trades Union Congress (TUC). He has had a long and distinguished career with the TUC, mainly in the economic field. He wrote the TUC's key strategic document *Partners for progress*, which sets out priorities in employment relations. He has considerable experience of working with different groups in industry and public life and has served on the boards of Business and Community and the Basic Skills Agency. He served on the Low Pay Commission from 1997-2000. He was also a member of the Education Services Advisory Committee's Research Priorities Board.

Commissioners

Mr George Brumwell. Appointment commenced on 1 April 1998. He is General Secretary of the Union of Construction, Allied Trades and Technicians. He is a member of the Labour Party National Policy Forum and the TUC's Executive Committee and General Council. He is a long-time member of the construction Industry Training Board and a board member of the Construction Skills Certification Scheme for the Construction Industry. He is an Executive Committee Member of the European and International Federation of Building and Wood Unions.

Ms Margaret Burns. Appointment commenced on 1 April 1998. She is a part-time tutor of public law at the University of Aberdeen. She has taught in the law faculties at Dundee and Glasgow Universities and at the Open University. She was formerly the Legal Advisory Officer for, and is now a member of, the Scottish Consumer Council, which nominated her for the Health and Safety Commission.

Mr Abdul Chowdry JP. Appointment commenced on 1 April 1999. He gained more than 34 years experience as a Health, Safety and Environment Advisor at Turner and Newall plc (manufacturing), where he worked until August 1998. He is the Director of Blackburn/Darwen Racial Equality Council. He has been a magistrate since 1976. He was a Labour Councillor at Rochdale Metropolitan Borough Council from 1972 to 1998, where he chaired a number of committees including Housing, Policy and Economic Development. He was also a member of the Greater Manchester Police Authority from 1986 to 1998.

Mrs Judith Donovan CBE. Appointed 1 October 2000. She is a Yorkshire business woman who founded her own direct marketing company in 1982, was Chairman of Bradford TEC from 1989-97, and the first female president of Bradford Chamber of Commerce from 1999-2001. She is currently a director of Business Link West Yorkshire and the Northern Ballet Theatre, patron of Bradford Samaritans and member of the Programme Monitoring Committee for Objective 2 Funding for Yorkshire and the Humber.

She is also a Millennium Commissioner and Chairman of Postwatch for the North of England.

Judith Hackitt. Appointed 1 April 2002. She trained as a chemical engineer at Imperial College, London. She has been Director of Business and Responsible Care at the Chemical Industries Association (CIA) since 1998 and was appointed Director General of the CIA from 1 April 2002. Judith was previously employed as Group Risk Manager at Elementis PLC with worldwide responsibility for health and safety insurance and litigation. She also

served for three years as a non-executive Director of Oxfordshire Health Authority. She holds no other public appointments and is not engaged in any political activity.

John Longworth. Appointed 1 April 2002. He is Group Trading Law and Technical Director of Tesco PLC. He is currently responsible for corporate policy on regulatory, consumer and scientific affairs and for product quality and operating standards, including environment, safety and operational risk management. John has been in commerce and industry for almost 20 years and for the whole of this period he has been involved with UK and European Government. He is currently a member of several British Retail Consortium policy committees, chairs the Institute of Grocery Distribution Director's Technical Forum and sits on the Government's Advisory Committee on Packaging Waste and Recycling. He is not engaged in any political activity.

Cllr Joyce Edmond-Smith. Appointment commenced on 1 April 1997. She has been a councillor for 16 years and is a member of Brighton and Hove Council where she is Convenor of the Sustainability Commission. She has a wide experience of environmental and health issues and was a member of the Association of District Councils for eight years, where she chaired the Environment and Health Committee. She has served on the Brighton and Hove Community Health Council and has been a member of the national Local Agenda 21 steering group for seven years. She taught in further education for 20 years.

Mrs Maureen Rooney OBE. Appointment commenced 1 October 2000. She is a national secretary for the Amalgamated Engineering and Electrical Union and is a member of the Executive Council of the Confederation of Shipbuilding and Engineering Unions. She was nominated for the Health and Safety Commission by the TUC and has served on the TUC's General Council since 1990 and the Executive Council since 1998. She is a former Vice-President of the National Childminder's Association and was on the Board of Management for the Adult Literacy and Basic Skills Unit. She was also on the Council of Management for the Merchant Navy Welfare Board. She has undertaken a range of political activities for the Labour Party, including speaking and canvassing on behalf of the party and is a member of the National Executive Committee Women's Committee. She holds no other public appointments.

Mr Owen Tudor. Appointment commenced on 17 November 1998. He is a senior policy officer at the TUC responsible for prevention, rehabilitation and compensation. He has been a member of the HSC Advisory Committee on Toxic Substances, the Civil Justice Council and the Board of the Royal National Institute for Deaf People. He is currently a member of the Industrial Injuries Advisory Council and the Management Board of the European Agency for Safety and Health. He writes regularly in the health and safety media and publishes the TUC's online health and safety bulletin, *Risks*. He is married and has a young son.

Past Commissioners

Mr Rex Symons CBE. 1 October 1989 to March 2002. He acts as the CBI workplace health and safety consultant and is Chairman of its Health and Safety Committee. He is a member of the Employment National Training Organisation and Chairman of the Bournemouth Primary Care NHS Trust; previously he was Chairman of the Poole Hospital NHS Trust. He is also Chairman of Bournemouth Transport Ltd and Dorset Travel Services Ltd. He was Chairman of Dorset Training and Enterprise Council for six years until 1998, Deputy Chairman of Merck Holdings from 1989-91 and Managing Director of BDH Chemicals Ltd (formerly British Drug Houses Ltd) from 1980-89. He is a member of the employment tribunals. He is also a Governor of the Bournemouth Arts Institute.

Mr Sonny Hamid. 1 April 1999 to March 2002. He commenced his training in electrical engineering in 1954. In 1969 his career led him into fire engineering and he gained membership of the Institution of Fire Engineers. His career path developed to include senior fire engineering, environmental health and safety and engineering and construction positions at Foster Wheeler Petroleum Development Ltd, Bechtel GB Ltd and Bechtel inc. Following the acquisition of Trafalgar House by Kvaerner plc in 1996, he had been actively engaged in preparing and implementing a new environmental, health and safety policy in the group companies serving clients in six main industrial sectors world-wide. Currently he is serving as an independent consultant specialising in environment and safety matters in business management systems, technology and education.

The work of the Commission

The Commission's responsibilities and powers are defined by the Health and Safety at Work etc Act 1974 (the HSW Act) and its subordinate instruments. On 24 July 2002 responsibility for health and safety transferred to the Department for Work and Pensions and from that date the Health and Safety Commission reports to the Secretary of State for Work and Pensions, and to other Secretaries of State for the administration of the HSW Act throughout Great Britain. During the period of this Annual Report (2001/02), the Commission reported to the Department of Environment, Transport and the Regions until June 2001 and the Department for Transport, Local Government and the Regions from June 2001 to July 2002.

Commission's duties

The Commission's statutory duties include:

- submitting proposals for regulations to ministers after consultation with appropriate government departments and other bodies;
- arranging for the provision of information and advice to ministers, amongst others;
- arranging for the operation of an information and advisory service;
- arranging for research to be carried out and published and encouraging research by others;
- arranging for the provision of training and information and encouraging their provision by others; and
- paying to the Executive sums considered appropriate for it to perform its functions.

Commission's powers of action

The Commission's powers of action include:

- approving and issuing codes of practice, with the consent of the relevant Secretary of State, subject to consultation with appropriate government departments and other bodies. These are known as Approved Codes of Practice (ACOPs);
- making agreements with any government department or other person for that department or person to perform on behalf of the Commission or the Executive any of the functions of the Commission or the Executive;
- making agreements with any minister of the Crown, government department, or other public authority for the Commission to perform on behalf of that minister, department or authority functions exercisable by the minister, department or authority (subject to those functions being functions which in the opinion of the Secretary of State can be appropriately be performed by the Commission in connection with any of the Commission's functions);
- giving guidance to local authorities (LAs) on enforcement;
- directing HSE, or authorising any other person, to investigate and report on accidents or other matters and, subject to regulations being made by the relevant minister, directing inquiries to be held;

- appointing committees. The main committees which the Commission has set up are Subject Advisory Committees and Industry Advisory Committees, which advise the Commission respectively on particular kinds of hazard and on health and safety in particular industrial sectors; and
- providing any services, facilities or information required by a government department or public authority even though they are not required for the general purposes of Part I of the HSW Act.

Commission code of practice

The Commission has adopted a code of practice, which the Chair and Commissioners follow. This conforms to Cabinet Office guidance. It sets out the responsibilities of the Chair and the corporate and individual responsibilities of Commissioners.

Openness

The Commission recognises that public access to health and safety information improves public understanding and strengthens public confidence in the health and safety system. The Commission has published a policy statement on access to health and safety information. As part of this commitment to openness, the Commission publishes its agendas, papers, minutes and those of its advisory committees and sub-committees on the Internet. These can be found on the HSE website (<http://www.hse.gov.uk/>).

A changing Commission

With the legislative framework for health and safety now largely in place, the Commission can increasingly focus on providing strategic direction to the activity of HSE on promoting delivery of the *Revitalising Health and Safety* targets.

Over time this shift in emphasis will mean major changes in ways of working. Some of those changes have already started; the Commission decided to delegate decision-making on new legislative packages, which raise no strategic issues to Advisory Committees or to small quorate groups of Commissioners. The first such mini-Commission took place in September 2001. Also Commissioners have taken on an area of specific interest or become 'champions' for the priority programmes the Commission selected for special attention. This gives Commissioners an opportunity to provide their independent views and advice to HSE and allows them to become involved in policy development at an earlier stage.

Specific responsibilities are:

Bill Callaghan	Construction and agriculture
Margaret Burns	Railways and Scotland
Joyce Edmond-Smith	Slips and trips and local government
Judith Donovan	Small firms, marketing and communications
Maureen Rooney	Major hazards
Sonny Hamid	Workplace transport
Rex Symons	Health services
George Brumwell	Falls from height
Abdul Chowdry	Work-related stress (and work with the police force)
Owen Tudor	Musculoskeletal disorders

Priority programmes

A series of special presentations on the priority programmes organised by HSE provided an opportunity to discuss each programme and likely barriers to progress. Commissioners were pleased to welcome at these sessions contributors from outside HSE - employers, workforce representatives, occupational health professionals, training organisations and officials from other government departments - who described their work to help deliver the targets.

Commissioners saw the challenges themselves in a series of visits organised around the priority topics. In May, they visited workplaces with musculoskeletal risks in and around Edinburgh. In October, Commissioners visited eight farms in Central England as background to a presentation on the agricultural priority programme in Stoneleigh. The land-based industries National Training Association (Lantra) kindly hosted this event, which provided a chance to learn more about Lantra work and see the risks from heavy agricultural machinery, and tree felling demonstrated.

Influencing stakeholders

Championing HSC policies and HSE activity and engaging stakeholders who can help improve health and safety is a key part of Commissioners' role. In May, the Commission hosted two events in Scotland to meet key stakeholders. Major employers, trade unions, and intermediary organisations were invited to discuss HSC's plans and priorities. Small companies with musculoskeletal risks were invited to meet Commissioners at a session to provide practical advice on how to avoid the risks.

In addition, Commissioners have also undertaken a wide range of visits, speeches and presentations. These have ranged from meetings with the board members of the top 350 companies in the UK to speeches at occupational health and safety conferences and industry visits.

New voices

The Commission is reaching out beyond the traditional health and safety community, for example they invited external commentators to assess HSE's new Race Equality Scheme. In the coming year they will be discussing issues such as the insurance and legal systems with outside experts.

THE HEALTH AND SAFETY EXECUTIVE 2001/02

Director General Timothy Walker CB

Director General since 1 October 2000. Previously an academic scientist, Timothy Walker has taught physics and chemistry at various universities. He worked on trade with the Middle East, telecommunications liberalisation and grants to industry at the Department of Trade and Industry and was Principal Private Secretary to successive Secretaries of State for Trade and Industry. He has also held responsibility for civil nuclear matters. Other posts held have been UK Governor of IAEA, Chairman of the EBRD Nuclear Safety Account, Home Office Director General for Immigration and Nationality and Deputy Chairman of HM Customs and Excise.

Deputy Director General (Operations) Justin McCracken

Justin McCracken took up post as HSE's Deputy Director General (Operations) on 1 April 2002. He is responsible for all of HSE's operational divisions, ie field operations, nuclear and offshore safety, chemical hazardous installations, railways, mines, construction, agriculture and health services. Justin is based in HSE's Liverpool headquarters but also maintains an office in London.

A physics graduate, he joined ICI in 1976 as a research scientist and moved from there into process development and plant management. His subsequent posts in ICI took him into marketing and business management in the UK and overseas, culminating in worldwide responsibility for ICI's catalyst business.

In 1998, he joined the Environment Agency as North West Regional Director. There, he was responsible for all the activities of the Agency in the North West, including regulation of process, water and waste industries, river habitats and fisheries improvement, flood defences and promotion of sustainable development.

Deputy Director General David Eves CB

Deputy Director General 1989 to January 2002. David was responsible for the work of HSE's operational divisions. Prior to this he held the post of Chief Inspector of Factories between 1985-88, having joined HM Factory Inspectorate in 1964.

Deputy Director General (Policy) Kate Timms

Kate Timms took up post as HSE's Deputy Director General (Policy) in June 2001. She has direct oversight of the Health Policy and Safety Policy Directorates, Nuclear Safety Policy and the Railways Directorate.

Kate was educated at St Hilda's College, Oxford where she studied politics, philosophy and economics. She was Director General for Agriculture and the Food Industry in the Ministry of Agriculture (MAFF) - now DEFRA (Department of Environment, Food and Rural Affairs) since 1996. Her responsibilities included all aspects of European Union (EU) and international agricultural policy negotiations as well as sponsorship of the domestic food and agriculture industries.

Prior to that Kate worked for five years in Brussels as Head of Agriculture Section in the UK Permanent Representation to the EU, returning to spend a year in the post of Principal Finance Officer.

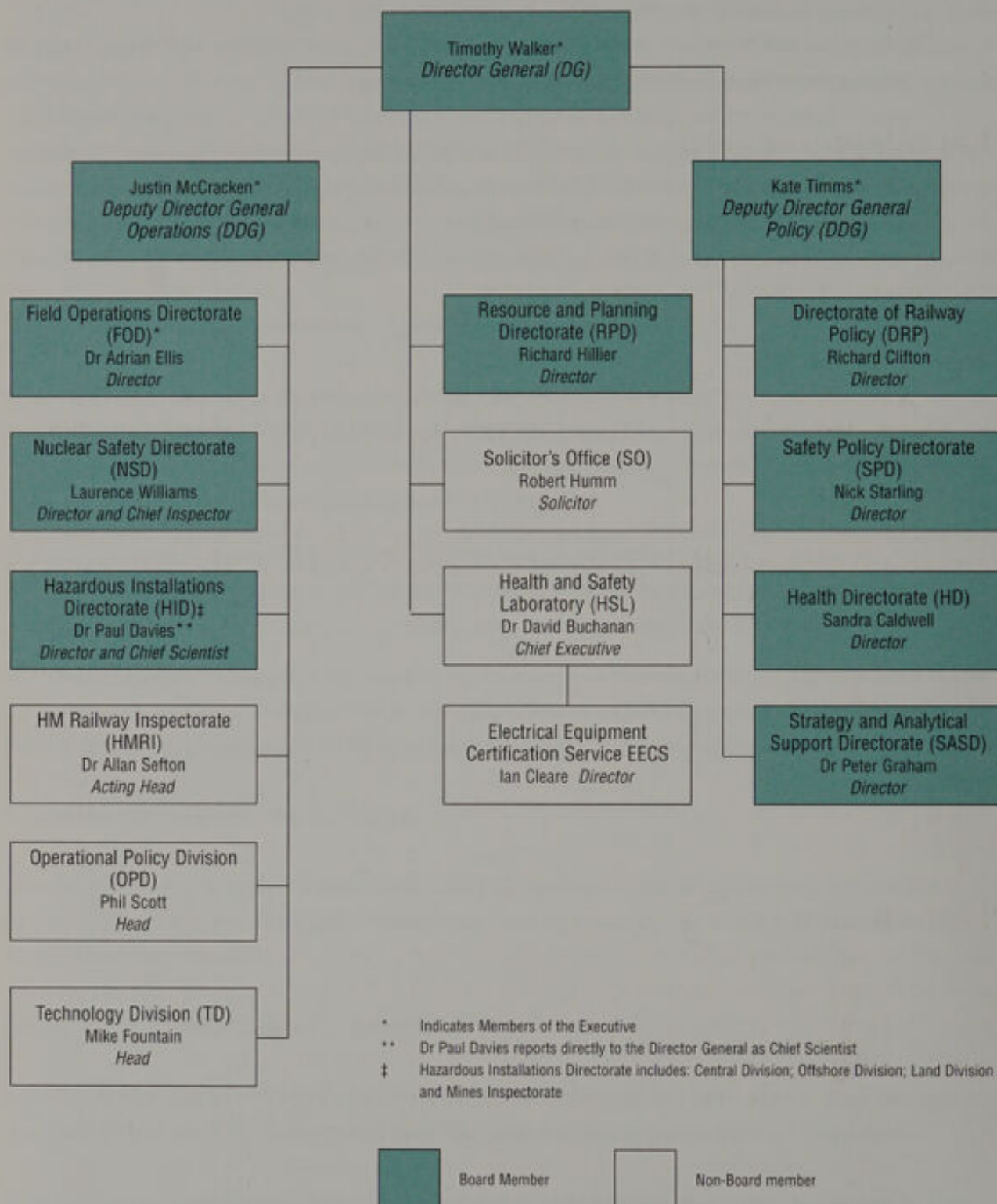
Kate also worked in the British Embassy in the late 1980s with responsibility for agriculture and economic affairs, and was also seconded to the Cabinet Office to work on EU policy issues.

Director, Resources and Planning Directorate Richard Hillier CB

A member of the Executive from 1996 to June 2001, Richard joined HSE in 1994, having previously worked in the Employment Department on pay and industrial relations policy, equal opportunities, health and safety and overseas labour. He also led the Manpower Services Commission's work on training and enterprise strategy, following spells in the field of technical and vocational education and employment policy.

HEALTH AND SAFETY EXECUTIVE STRUCTURE

September 2002



HSE's website provides links to information about the work, organisation, and activities of HSE's Divisions and Directorates (<http://www.hse.gov.uk/action/index.htm>).

CHAIR'S FOREWORD

This Annual Report charts the progress during the first year of the HSC's Strategic Plan 2001-04 and our contribution towards achieving the national targets for health and safety set out in the *Revitalising Health and Safety* strategy statement. We said we would concentrate our work into four specific blocks: priority areas, major hazards, securing compliance and, of course, our statutory duties.

Fatal injury record

Provisional statistics for the year 2001/02 indicate a decrease of 15% in the number of fatal injuries among Britain's workers, with 249 deaths compared to 292 in 2000/01. This decrease is welcome after the appalling increase in the number of work-related fatalities which we saw last year; but it is much too soon to say whether the 2001/02 figures represent a long-term downward trend.

This number of deaths in the workplace is unacceptable. Our research into the rise in 2000/01 showed that in many cases, employers were failing to carry out risk assessments. Had they done so, and taken appropriate action to reduce the risks, the picture may have been different. So we must maintain the pressure to make sure that employers meet both their legal and moral responsibilities.

Our task must be to continue to work for sustained improvement in both health and safety. To achieve this we will continue to concentrate on those industries with the worst health and safety record, and work activities that continue to give rise to high levels of injury and ill health.

Delivery

Throughout the year, the Commission has continued to seek ways of improving the way we work so that we can focus more on strategic issues and provide clearer direction to HSE as it focuses on the delivery of the *Revitalising* targets. The section of this report 'A changing Commission' describes these developments, which are designed to streamline our work and allow us to concentrate our efforts more effectively. This refinement of our work will continue as new challenges and opportunities emerge.

Stakeholders

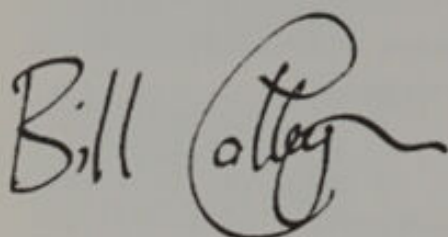
Our mission, goals and targets can only be achieved through partnership. Employers, workers, trade unions and safety representatives are central to this process, but we also need to influence wider agendas on the work/life balance, corporate social responsibility and the role of health and safety in promoting productivity and competitiveness. As part of this process, we launched an initiative to make contact with the top 350 companies in Great Britain, to encourage them to use our guidance on director's responsibilities and include health and safety performance in their annual reports. We also launched a pilot project to provide on the spot advice to smaller firms through workplace safety advisers. Early feedback is positive and I am very grateful for the commitment that trade unions and employers have shown to making the project a success.

Engaging stakeholders who can help improve health and safety is a key part of the role of Commissioners. We have met stakeholders at events, visits and conferences. This year, for the first time the Annual Report will be placed on the HSE website and we will be publishing a new progress report before the end of the year to show how far we are achieving our targets. Both these developments should help the engagement process. You will be able to judge more easily our work, our strategy and hopefully provide useful input and comments.

Major hazards

Much of HSE's work is about the management of health and safety in high hazard industries and the control of high hazard events and this report demonstrates the progress being made in industries such as the offshore and nuclear industries. This year we have worked to implement Lord Cullen's recommendations; and provided additional resources for both policy and operational work; and published our strategy for maintaining and improving safety on the railways. We continue to work with the industry to secure the improvements that are needed, including the establishment of the new Rail Accident Investigation Branch and Rail Industry Safety Body. But constant vigilance is needed, as the Potters Bar incident proved.

Finally, I would like to thank ministers at the former Department of Transport, Local Government and the Regions for their support. My Commission colleagues and I look forward to working closely with our new sponsor department, the Department for Work and Pensions, as we develop our mutual agendas on work, health and rehabilitation.

A handwritten signature in black ink, reading 'Bill Callaghan'. The signature is written in a cursive, flowing style. The word 'Bill' is written in a simple, slightly stylized font, while 'Callaghan' is written in a more elaborate, cursive script with a long, sweeping tail that extends to the right.

Bill Callaghan

DIRECTOR GENERAL'S FOREWORD

Delivery

This overview of HSE's work for the year can, of course, only provide a flavour of the range of activities carried out and achievements made; but the greatest achievement is the concerted efforts made by staff that has enabled us to push forward our programme of work for 2001/02 with its breadth and range of activities. It has been a challenging year and the successes are due to the dedication and efforts of staff as well as their professionalism.

The agreed programme has largely been delivered and many additional unplanned issues have been accommodated. In those few areas where work has not been delivered to timescales set, progress has nevertheless been made. The publication of R2P2, revised after consultation reflected contributions from many parts of HSE, is a major contribution to making our decision processes more transparent.

Revitalising Health and Safety

HSC/E's priority during the year of the report has been to put in place arrangements for achieving the headline Revitalising targets. This has been done; the next phase is to concentrate on delivery of the targets. I am pleased to see that more industry sectors have recently set their own targets, although some have yet to do so. The earliest date we will have any statistically meaningful information for 2001/02 will be autumn 2002 and a progress report describing developments will be published at the end of the year.

Priority programmes

This year's published priority programme plans have generally been delivered with solid progress made against key elements. Each programme can report notable successes, in particular results for compliance activities where targeted visits and associated enforcement action in a number of programmes has exceeded plans. Again, we will have more to say on the impact of the plans in the progress report.

Major hazards

These continue to be an important part of our work. Both the nuclear and railways industries have required particular attention and the HSE as a whole has made a significant contribution to securing the control of these and other major hazards.

Securing Health Together

This year saw the successful establishment of the infrastructure of contacts, networks and information systems to support and promote Securing Health Together. Media interest in occupational health issues has been considerable. The sound basis now established for continuing partnership working will raise the profile of occupational health and deliver improvements. Enabling people to continue at work or to return to work after injury is a key part of the Department for Work and Pensions' own objectives, we look forward to our closer links.

Public Service Agreement

Three of the four 1998 Comprehensive Spending Review Public Service Agreement targets were achieved: investigations, efficiency gains, and resources in central services. There was a slight shortfall in the target for the number of regulatory contacts due to the effect of foot and mouth disease and many investigations proving

more complex than in the past and therefore taking longer. 2001/02 was the last year of these targets. We will report progress against the first year of the 2000 Spending Review PSA targets, reductions in ill health incidence, working days lost, and accident rates separately in December 2002.

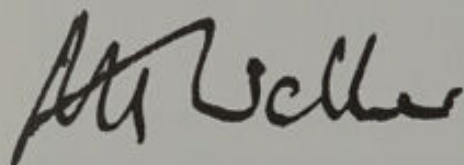
Managing HSE

HSE's management priorities for the next three years and the activities that we will focus on to progress these priorities were published in HSE's Management Plan in October 2001. The first year of such a wide-ranging and detailed Plan has seen much activity with solid work undertaken by Directorates. Many real achievements can be recorded, in particular in valuing diversity and getting the right people in the right place at the right time. There is a slight reduction in the number of excess hours worked but more effort is required here and this is reflected in HSE's health and safety plan.

Change

Since I wrote last year's foreword, the HSE Executive has changed. Richard Hillier stepped down as a member of the Executive in June 2001 and David Eves retired from HSE in January 2002. I, and all of HSE, am very grateful for their contribution over many years. Justin McCracken and Kate Timms are the new members and they have already provided valuable input to our work.

HSE is also shortly to undergo a period of change. We are a respected regulator with a reputation for professionalism and integrity. But we can do better and we must work for continuous improvement. The world is changing. Industrial structures and patterns of employment have altered. There are more service industries, small firms, part-time workers and indirect employment relationships. We need to ensure that we are fit enough and smart enough to take forward the ambitious but necessary programmes of work we have set ourselves. We are looking hard at the ways we work, our systems and procedures and how we are organised. I will report more on this next year.

A handwritten signature in black ink, appearing to read 'Tim Walker', with a stylized, cursive script.

Timothy Walker

Part 1
Health and Safety Commission
Annual Report 2001/02

INTRODUCTION

1.1 This document reports on the work of the HSC/E during 2001/02 and is based on the plans contained in HSC's *Strategic plan 2001-04* (<http://www.hse.gov.uk/action/noframes/content/plan.htm>) (the Strategic Plan) which was published in September 2001. It also provides information about the management of HSE, health and safety in HSE and includes an analysis of our output and performance.

1.2 Paragraphs 1.4 to 1.22 below describe:

- the basis for our current work,
- the programme blocks; and
- a short description of the activities carried out.

1.3 The Strategic Plan also sets a range of outcomes and targets, as opposed to work to be carried out. We will be reporting separately on these after HSC's Health and Safety Statistics for 2001/02 have been published.

National government targets for health and safety

1.4 In June 2000, the Government set national targets for all stakeholders in the health and safety system published in the *Revitalising Health and Safety* strategy statement (RHS). The targets are to:

- reduce the number of working days lost per 100 000 workers from work-related injury and ill health by 30% by 2010;
- reduce the incidence rate of fatal and major injury incidents by 10% by 2010;
- reduce the incidence rate of cases of work-related ill health by 20% by 2010; and
- achieve half the improvements under each target by 2004.

1.5 In addition to the national targets, the Government and the Commission agreed a broad ten-point strategy for the next ten years and 44 specific action points.

Securing Health Together

1.6 In the same year, the Commission, Government and other stakeholders launched a long-term strategy to improve occupational health, *Securing Health Together*. This forms a central plank of RHS. It commits all concerned to achieve both the health-related targets set out in RHS and the following additional targets by 2010:

- a 20% reduction in ill health to members of the public caused by work activity;
- everyone currently in employment but off work due to ill health or disability is, where necessary and appropriate, made aware of opportunities for rehabilitation back into work as soon as possible; and
- everyone currently not in employment due to ill health or disability is, where necessary and appropriate, made aware of and offered opportunities to prepare for and find work.

The Strategic Plan

1.7 The Strategic Plan focuses HSC activity on achieving the national targets for health and safety set out in RHS.

1.8 HSC's contribution is based around four programme-based blocks, each containing plans and activities for 2001/02 and beyond:

- taking action in priority areas ('priority programmes');

- ensuring an effective regulatory regime in the major hazards sectors ('work in major hazard industries');
- securing compliance with the law ('securing compliance'); and
- meeting the mandate given by Government ('mandatory activities').

Revitalising Health and Safety

1.9 Since RHS was launched, HSC/E's priority has been to put in place arrangements for achieving the headline targets. The next phase is to concentrate on delivery of those targets. The earliest date any statistically meaningful information will be available for 2001/02 is autumn 2002.

1.10 Most of the 44 action points have been taken forward, but more will be done in pursuit of their original aim: to raise the profile of HSC's work. Where possible, additional work will be undertaken to make the most of the action points' potential to achieve actual health and safety improvements. A communications drive is currently underway to remind all stakeholders that there is only a year and a half remaining till 2004 and the 'halfway' targets. Work continues to encourage companies and business sectors to set their own targets to contribute towards the national ones; including a conference to motivate target-setting action. Results are encouraging, with many industry sectors having set targets.

1.11 RHS has a homepage on the HSE website, which can be found at <http://www.hse.gov.uk/revitalising/>. This provides up to date information on the latest developments and archives press releases, key documents and speeches. (See Table 24 for progress with plans.)

Securing Health Together (SH2)

1.12 Under this 10-year strategy the key components have now been put in place to enable work-related ill health and rehabilitation to be tackled effectively as a cross-government initiative. Actions during the year included assembling information on the causes and extent of ill health, identifying priorities, setting targets and establishing monitoring methods, evaluating existing initiatives, creating partnership bodies and operational links, disseminating and sharing information through a variety of channels (including publications, conferences and websites), and identifying where the work feeds into broader government priorities. The SH2 website is <http://www.ohstrategy.net>. (See Table 24 for progress with plans.)

Priority programmes

1.13 HSC's eight priority programmes focus on hazards or sectors where improvements are vital if the targets are to be met: falls from height; workplace transport; musculoskeletal disorders; work-related stress; construction; agriculture; health services; and slips and trips. In selecting these priorities we aim to tackle those hazards and sectors where large numbers are employed, the incidence rate of injuries or ill health is high and where we have the levers to bring about change and success. Most milestones for the year have either been delivered or are well under way. (See Tables 1-8.)

Work in major hazard industries

1.14 Much of HSE's work is about the management of health and safety in high hazard industries and the control of major hazard events. Sectors covered are those where the control of major hazards is critical, for example, railways, gas conveyance and onshore major hazard pipelines, chemical installations covered by the Control of Major Hazards Regulations (COMAH), explosives and the mining, offshore and nuclear industries. (See Tables 9-15.)

Securing compliance

1.15 Securing compliance underpins and complements all our other work. HSE and local authorities are required under the HSW Act to make adequate arrangements to enforce health and safety law. This report details the range of enforcement activities across a broad range of hazards in a number of sectors as well as the latest position on HSC's enforcement policy and work on penalties and prosecutions. (See Tables 16-23.)

Mandatory activities

1.16 As well as being required to enforce health and safety law, HSC/E have been tasked by Government to carry out a number of functions under the HSW Act:

- modernise and simplify the regulatory framework;
- provide appropriate information and advice;
- promote risk assessment and technical knowledge; and
- operate statutory schemes.

This report provides information on all these functions, and progress against plans can be found at Tables 24-27A.

Managing the organisation

1.17 The section includes information on a wide range of management and business issues eg efficiency, expenditure, staffing, prompt payment of bills, charging, green housekeeping. (See paragraphs 1.35-1.73.)

Health and safety in HSE

1.18 Over the past year, work continued to raise the profile of health and safety for HSE staff and the subject has been discussed at every Board meeting. Information to staff is provided through a dedicated Intranet site and reporting procedures have been simplified. The health and safety committee has been working to tackle major causes of accidents and ill health affecting staff, including putting in place an agreed strategy for reducing work-related stress within HSE. (See paragraphs 1.74-1.79.)

The Management Plan

1.19 The Management Plan (<http://www.hse.gov.uk/action/content/m-plan.htm>) sets out HSE's management priorities for the next three years and the activities that we will focus on to progress these priorities. The Plan was developed to support our delivery of the Strategic Plan. Progress has been made on almost all actions (some 80 in total). Many real achievements can be recorded, in particular in valuing diversity and getting the right people in the right place at the right time. Conversely there are areas where further work is needed eg obtaining corporate Investor in People (IiP) status. (See paragraphs 1.71-1.73 and Annex 1.)

Outputs and performance

1.20 The Strategic Plan sets a range of output and performance measures eg the planned number of publicity products and the planned number of safety cases to be introduced. Publicity products and purchase of or access to publicity products have exceeded plans. However, the number of safety cases assessed was lower than planned because a large number were considered to be deficient and needed further work by operators. (See Annex 2.)

Public Service Agreement (PSA)

1.21 HSE is committed to achieving targets in 2001/02 agreed with ministers in the 1998 Comprehensive Spending Review. Three of the four targets were achieved, but there was a slight shortfall of 2.2% in the target for the number of regulatory contacts due to the effect of foot and mouth disease and more complex investigations. (See Annex 2.)

Legislative annex

1.22 Annex 3 contains full details of European and domestic legislative projects planned for the reporting year and an up to date report on the position at the end of the year. A lower number of regulations than expected have been introduced, partly due to changes to implementation dates arising from discussions with external stakeholders. However the percentage of those introduced on time met planned targets (89%). Annex 4 also describes the position with Directives under negotiation during the year.

Further information

1.23 For the first time this year, and in addition to publishing it as a printed document, we are placing the HSC Annual Report on the HSE website. Previously, summary versions only had been made available in this format at <http://www.hse.gov.uk/action/content/annual.htm>. The website addresses for main publications and information are given throughout this report. Further, more comprehensive information on publications and reports referred to can be found on the HSE books website (<http://www.hsebooks.co.uk/homepage.html>). The HSE website also contains up to date information and advice on health and safety issues including the latest statistical information (<http://www.hse.gov.uk/statistics/index.htm>). Advice can also be sought via HSE's Infoline: telephone 08701 545500, e-mail address hseinformationservices@natbrit.com. Staff there can help answer general enquiries and tell you about our publications.

PRIORITY PROGRAMMES

Introduction

1.24 Eight priority programmes have been selected covering hazards or sectors where major improvements are necessary if the targets are to be met. We will focus on five hazard areas and three sectors:

- falls from height;
- workplace transport;
- musculoskeletal disorders;
- work-related stress;
- agriculture;
- construction;
- health services; and
- slip and trips (we will work with local authorities to target this problem in the sectors they cover).

1.25 The mix of tools used in the plans (compliance, continuous improvement, knowledge, skills and competencies and support and advice) has been designed to suit the needs of each programme, based on the particular circumstances in each sector or hazard. In some hazards, knowledge and understanding is better developed so different approaches can be adopted which focus, for example, on securing compliance with the law. However, a common strand throughout is the involvement of stakeholders to help deliver the targets.

1.26 These hazards and sectors are those where action is needed now. If such action is successful we will bring forward new priorities later. Health issues often require longer to identify the scope of problems and the best ways of tackling them before specific action can be taken. There is inevitably an overlap between work that is carried on in sectors and work to address specific hazards. Details of how each programme has developed over 2001/02 follows.

Table 1 Falls from height

Plans for 2001/02

A programme of 960 inspections including investigation and enforcement as necessary across all HSE enforced sectors:

- ensuring good practice in, eg, proper planning and procurement of maintenance work;
- working with intermediaries (especially in local authorities, and the construction and agricultural industries) to improve standards in erecting and dismantling scaffolding, targeting planning supervisors, principal contractors and, eg, standards in seasonal work at heights in agriculture;

Progress during 2001/02

The number of targeted visits and associated enforcement action undertaken by HSE exceeded that planned for the year.

- using Construction (Design and Management) Regulations (CDM) principles to design out the need for work at heights

Targeted inspections in:

- chemicals industry (to achieve reduction in falls from road tankers and to eliminate the need for routine high level access to road tankers); and
- offshore chemical industry (to achieve reduction in falls from height).

Build partnerships to develop and deliver a long term strategy to reduce falls from height through:

- establishing links with key stakeholders, identifying how they can contribute to RHS targets; and
- engaging offshore stakeholders through industry contacts, trade associations, safety representatives, the Offshore Industry Advisory Committee (OIAC) and technical fora, eg conferences and workshops.

Research to be commissioned on the causes of falls from height and designing out the need for work at heights.

Prevention of falls from height from road tankers: a final analysis of the results of visits in 2001/02 has resulted in the development of a detailed strategy for 2002/03. Regular monitoring will enable progress to be assessed and the impact of the intervention, as well as measuring progress against overall targets.

Delivered in part because of changed enforcement priorities. A targeted inspection programme has been put in place for 2002 onwards.

Partnerships have been developed through consultation on, and promotion of the Temporary Work at Height Directive.

Relevant stakeholders have been involved through seminars and workshops.

Six projects were commissioned under the Competition for Ideas. These are looking at:

- recidivist risk takers working at height;
- designing in safe access for maintenance and repair work at height;
- the effectiveness of ladder stability devices;
- the selection and use of fall prevention and protection methods;

Work to ensure that employers provide workers with necessary competence for working at heights, especially in construction and maintenance activities.

- the effectiveness of prevention and risk control measures for work at height; and
- an evaluation of safety nets.

This requirement will apply to all work at height through the implementation of the Temporary Work at Height Directive.

Other significant activities

A 'slips, trips and falls from height' (STF) project for the chemicals industry has included production of a number of assessment tools. These have been made available to industry (via a workshop and the Step Change team) and internally. The project reports have been forwarded for inclusion on HSE's website. A tool to assist inspectors looking at STF has also been delivered and has been successfully trialled.

Table 2 Workplace transport

Plans for 2001/02

Compliance

We will carry out a priority inspection programme including 1700 visits by inspectors to premises in all sectors with particular attention being paid to workplace transport in the construction, agricultural, quarries, docks and airport industries. These visits will deal with:

- separation of vehicles and pedestrians;
- minimisation of reversing; and
- improving the rearward visibility of high risk vehicles;
- co-operative working with the road haulage industry to improve compliance.

Progress during 2001/02

Inspection programme exceeded. A total of 3465 targeted workplace transport visits were recorded for 2001/02 by HSE inspectors. In addition workplace contact officers completed 741 'workplace transport awareness' survey forms after contacting new businesses.

Local authority enforcement activity will focus on:

- the segregation of vehicles and pedestrians; and
- the management of reversing movements.

Continuous improvement

We are committed to the involvement of stakeholders, we will:

- set up a stakeholder action group, involving SMEs especially, to take views and seek volunteers for smaller sub-groups to deal with discrete projects to reduce workplace transport risks. HSE's Technical Division (TD) has several stakeholder groups, which are identifying key issues and dealing with them through accident analysis, standards making and HSE and industry guidance;
- prepare and issue a discussion document on preventing workplace transport accidents and analyse responses; and
- develop a HSE workplace transport webpage to facilitate greater openness.

Knowledge

We will fund a research programme to:

- identify the causes of workplace transport incidents and identify baselines;

Progress on this activity will be reported in the Health and Safety Executive/Local Authorities Enforcement Liaison Committee (HELA) Annual Report 2002 due to be published in November 2002.

Stakeholder action group will be set up when responses to discussion document have been received and required input of stakeholders has been determined. TD stakeholder groups have continued to meet and identify key issues.

Discussion document was issued to schedule on 15 January 2002. Launch attended by the then Minister, Alan Whitehead, and many representatives of the industry. Speakers included Bill Callaghan, Tony Wheel of the Construction Confederation and Kim Sunley from the GMB. Closing date for responses was 15 May 2002. Responses are being analysed and next steps identified.

Work has started on the webpage. HSE has joined up with the HELA website, and work will be continuing to refine this throughout the coming months.

The Health and Safety Laboratory (HSL) has reported back on a small research project and literature review to identify causes.

- survey employer awareness of workplace transport risks; and
- identify SME stakeholders through accrediting bodies (for lift trucks), equivalent organisations, and through local authorities.

Development of an interactive CD ROM to determine driver competence. Prototype for testing due by 31 March 2002.

Support

We will develop guidance on reducing falls from vehicles.

This research programme has been carried over into 2002/03.

Work has started to identify stakeholders, and will be completed when responses to discussion document have been analysed and external involvement determined.

CD ROM will be officially launched in October 2002. Possible means of distribution and methods of analysis when results are received are being considered.

Information gathering has begun.

Table 3 Musculoskeletal disorders (MSDs)

Plans for 2001/02

Compliance

To improve compliance with the law we will:

- carry out a programme of 3290 targeted visits to reduce manual handling injuries;
- review slips and trips injury reports to identify high risk industries where these result in work-related musculoskeletal disorders (WRMSD) and target poor performers;
- develop manual handling risk assessment tools to help dutyholders comply;
- implement a manual handling campaign at chemical manufacturing premises to determine

Progress during 2001/02

Over 8450 visits were carried out and inspections resulted in 247 improvement notices and 45 prohibition notices.

The review is in progress.

This tool should be delivered to all HSE field inspectors during autumn 2002 and will be made available to the public in early 2003. A local authority (LA) pilot is also being run.

Campaign launched in April 2000. Over 400 training packs purchased to date by industry. A

the impact of employer's involvement, promote the *Handle with care* learning pack and check the suitability of risk assessments;

- within the mining industry, we will investigate selected back pain absence reports and conduct audit inspections targeted at control systems and their effectiveness;
- target manual handling activities offshore through inspections and interventions.

Continuous improvement

To promote good practice we will:

- identify good manual handling practices in the health sector and also innovative solutions in the woodworking industry;
- develop a pilot ergonomic interventions programme, aimed particularly at tackling work-related upper limb disorders (WRULDs), in partnership with the Confederation of British Industry (CBI), TUC and the Institute of Directors (IoD), to set targets for individual sectors;
- work with insurance companies to target industries and activities with high compensation cases associated with WRMSD, and in particular WRULDs;
- promote a holistic approach to better management of acute WRMSDs;

good practice benchmarking survey has been fed back through the Chemical Industries Forum and Trade Associations.

One audit completed. The project is continuing.

Through the 'Step Change' initiative, activity has increased. The industry has now made manual handling a priority.

MSD inspections in the health sector have resulted in good practice being promoted by the HSE inspectors. The woodworking project relied on responses from the industry. None were received and the initiative was discontinued.

A number of pilots are underway or are being developed, eg the Corrugated Packaging Association launched an initiative in December 2001. HSE is also working with the printing industry to identify the main causes of MSDs and has been promoting HSE's holistic approach to MSDs and WRULDs at industry-led events. Work is also underway to develop targets and improvement plans in the private health sector.

The Textiles Industry Advisory Committee (TEXIAC) MSD working group is working with the relevant insurance companies, focusing on rehabilitation of MSD cases.

Back in work: The evaluation of this initiative has been published (see HSE's website and link to the Sign-Up Network site). It has demonstrated the benefits and cost effectiveness of integrated management and partnership approaches to preventing and managing back pain. **Working**

- use Offshore WRMSD case studies to spread best practice.

Knowledge

To improve our knowledge on WRMSDs we will commission research to:

- review manual handling problems and identify WRMSD risk factors and solutions in known high risk occupations and activities;
- determine risk factors in handling in hot and cold environments.

Skills

To improve skills and competence we will deliver new training for inspectors on the manual handling of patients in health care.

Support

To ensure employers and employees have the right information and advice to manage WRMSD we will:

- publish revised guidance on the prevention of WRULDs in the workplace;

Backs Scotland: has resulted in a significant shift in the awareness and treatment for back pain in Scotland. **Proposed initiative in Wales:** A meeting of stakeholders was held in January 2002 and a bid for funding has been submitted to the National Assembly.

This project is continuing through the 'Step Change' initiative. Targets have been set and a working group will take it forward.

The following has been reviewed: the handling of disabled passengers and baggage in and around aircraft; evidence of injury from lifting heavy building blocks; MSD risk factors in selected construction trades and methods to reduce MSD risks in the meat industry.

Detailed proposals were received in January 2002 and work is expected to start in 2002/03.

Provision of this new training will be carried over into 2002/03.

The revised edition of *Work related upper limb disorders* was successfully launched at a conference at TUC Congress Centre on 28 February 2002, International Repetitive Strain Injury (RSI) day. Initial feedback has been very positive.

- publish and widely promote manual handling guidance for home care workers;
- develop a programme of support particularly for small and medium sized enterprises (SMEs) linking into the Occupational Health Advisory Committee's (OHAC) recommendations on improving access to occupational health support.

Handling home care: Achieving safe, efficient and positive outcomes for care workers and clients was published in March 2002 and launched at the Handling People Conference.

Through the Improving Access to Occupational Health Support Project Board, the programme is progressing satisfactorily. The use of self-assessment tools is being explored and a pilot occupational health and safety support telephone helpline has been fully operational in Lanarkshire since February 2002.

Other significant activities

A system for monitoring dutyholder's compliance with MSD requirements has been developed.

Display Screen Equipment (DSE) guidance has now been revised and circulated for external consultation. It will be published in spring 2003.

Handling accidents in the local authority (LA) enforced food and drinks industry and the handling of patients in residential care homes have been targeted for inspection.

Seminars were held in Aberdeen and Great Yarmouth to highlight MSD problems offshore and identify solutions. A resource pack of training materials and tools to help identify ergonomic risks has been developed.

In agriculture, working with the National Farmer's Union (NFU), a 'manual handling solution' competition is being held for farmers and agricultural colleges to identify best practice; work has started to ensure that all seed is supplied either in bulk or sacks less than 25 kg; the position of manual handling training and scope for inclusion in National Occupational Standards is being reviewed; manual handling risks were demonstrated at agriculture safety awareness days and manual handling training for inspectors has been delivered.

A 'DSE club' has been set up as a new forum for sharing information between LAs on enforcing the DSE Regulations; and pilot projects have been set up to study the effects of interventions on compliance.

Further MSD enforcement training for HSE's Field Operations Directorate (FOD) inspectors has been delivered as part of an ongoing programme; an initiative in Wales and the West also provided practical training to HSE and LA inspectors; and a MSD topic pack to guide and assist inspection has been provided for FOD inspectors.

A number of sector specific publications, dealing wholly or partly with MSD have been published, including:

- *Reducing injuries caused by sack handling in the food and drink industries;*
- *Moving food and drink - Manual handling solutions for the food and drink industries;*
- *Injuries and ill health caused by handling in the food and drinks industries;*
- revised guidance *Health and safety in care homes.*

Table 4 Work-related stress

Plans for 2001/02

Compliance

To improve compliance with the law we will draft first phase management standards for a range of key stressors and consult upon these initially through the Occupational Health Advisory Committee.

Progress during 2001/02

Research project to provide a summary of the underpinning scientific evidence for the first phase of management standards progressed. Final report received May 2002 and drafting of the standards has begun.

Continuous improvement

To promote best practice in the management of work-related stress we will:

- identify best practice in preventing work-related stress;
- identify best practice models for rehabilitation in stress cases; and
- set up five pilot (one year) local benchmarking groups to share good practice and 'lay' knowledge about work-related stress in SMEs and between safety representatives.

Skills

To improve skills in the management of work-related stress we will:

- promote the Cranfield University Business School resource pack *Mental well-being in the workplace*;
- examine current best practice in inspection and produce revised guidance for inspectors; and
- begin development of training materials for managers and safety representatives on how to carry out a stress risk assessment.

Support

To ensure necessary support and advice is in place we will:

- publish revised guidance for employers; and

Report on project to identify good practice in stress management received. To be published with report of second phase of project (covering best practice).

Tender exercise for research project to identify best practice in rehabilitation completed July 2002.

Cross-government benchmarking group met in May 2002 with promising early results.

The resource pack was reissued with a new ministerial foreword on National Stress Awareness Day (November 2001).

Revised guidance for inspectors published. Regional briefings on the priority programme, new guidance, operational circulars (OCs)/local authority circulars (LACs) and technical support mechanisms for senior management in FOD and LAs conducted in June and July 2001. Now looking at providing training courses.

Initial scoping exercise on the development of training materials completed. Development under way.

Revised guidance *Tackling work-related stress* published. Heavy media coverage. In its first two weeks on sale, HSE Books distributed about 1100

- commence a second wave of guidance and promotion for National Stress Awareness Day November 2001.

copies. A total of 16 presentations to external audiences to promote the guidance were made. Employee leaflet was restructured and reprinted to clarify its meaning.

Revised free guidance for small firms *Work-related stress – A short guide* published on National Stress Awareness Day.

Other significant activities

Two tender exercises for research projects (on defining a case of stress and what affects perception of stress) to help define targets were carried out but were delayed due to post-tender discussions.

Research now underway.

HSC was involved in a workshop to refine policy model for stress, to aid evaluation plans. Next step is to define a research project to test and validate the model.

Compliance

FOD inspectors made 724 contacts on stress this year.

Table 5 Construction

Plans for 2001/02

Compliance

To improve compliance with the law we will:

- deliver the construction sector part of the Securing Compliance Programme through inspections, investigations and, where required, formal enforcement involving all those in the construction procurement and supply chain;

Progress during 2001/02

Robust approach to compliance with over 2500 notices served and over 600 informations heard.

Over 2600 Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) and 8000 complaints investigated.

Joint HSE Construction (Design and Management) Regulations (CDM) designer audit programme with nine targeted interventions completed.

- hold initiatives on safe working at heights initially including cross-sector programmes aimed at clients and maintenance, scaffolding (worker and public safety), the use of scaffolding nets for industrial roofing and designing out fragile rooflights;
- revise the ACOP on CDM;
- hold enforcement campaigns to promote compliance in manual handling of building blocks and liaising with manufacturers and suppliers to promote alternatives; and
- hold compliance initiatives on managing exposure to noise and hand arm vibration (HAV) in hand tunnelling, scabbling and pile head removal, and on designing out the risk of HAVs; and support the workplace transport priority programme.

Work at heights initiative including engaging with designer, supplier and contractor intermediaries: over 950 contacts made. Major advances through safer processes:

Scaffolding trades: high level of commitment, especially by national firms, in the first year following the introduction of voluntary industry code on the use of harnesses, but more to be done through on-site supervision.

Industrial roofing: use of safety nets is now the norm.

Precast flooring: new industry voluntary code (<http://www.pff.org.uk/>) launched April 2001 and safer ways of working being adopted.

Fragile roofing: voluntary industry code on fragility now beginning to feed through into better products and specifications leading to safer work processes. Contacts with clients on maintenance issues demonstrated the success of early interventions, a key factor in the new intervention strategy.

Revised CDM ACOP in force 1 February 2002.

Concrete Block Association engaged and contact with Concrete Products. Association now planned for 2002/03 in conjunction with other initiatives. Over 450 contacts from field activity with 25% involving 'tracking back' to designers, etc. Enforcement doubled over previous year. Proactive interventions adjudged highly effective. One in eight of HSE's enquiries found that heavy blocks had been 'designed out' ie that the specification had been changed on health and safety grounds.

HAVs: risk eliminated or reduced by design in specific construction processes in some 60% of cases;

Noise: fewer contacts than planned but this was offset by the synergy with the HAVs initiative and elimination or reduction of noise risk found in many cases;

Continuous improvement

To encourage continuous improvement we will:

- monitor and review RHS targets agreed with Construction IAC (CONIAC); and
- follow up the February 2001 Construction Summit to ensure all construction 'umbrella' bodies have appropriate action plans and that these are being implemented by trades, professional bodies and dutyholders.

Knowledge

To improve our knowledge we will project manage research on:

- accident causation in construction;
- work-related stress in construction;

Transport: over 750 contacts on transport targeting, in particular segregation and reversing.

Continuous improvement by industry was the focus of the October 2001 conference (see 'Support' below).

Bilateral meetings held with umbrella bodies to monitor progress. These bodies and others encouraged to cascade action plans down the line, eg CLG (the specialist's umbrella body) cascaded to Heating and Ventilating and the Electrical Contractors Associations.

First report covering the nine months post-summit delivered to ministers on 19 February 2002.

Loughborough University work on determining the causal factors in 100 accidents continues. Bomel Report Phase 1 on the major factors which influence accidents and ill health in construction published, disseminated and being used to inform further work and intelligence needs. Phase 2 commenced and will provide more robust intelligence. Survey work also commenced on accidents during 2001/02 to obtain additional data to assist in determining causes.

Advanced proposal which was submitted for 'Competition for Ideas' 2002 but not successful. Preliminary research work (by MSc student) relating to site managers will complete in September 2002.

- mapping health hazards and risks; and
- major hazards in the construction industry.

Skills

To improve skills and competence we will:

- support and stimulate initiatives to influence the formation of engineering, design and architectural professionals; and
- carry forward proposals for pan-industry standards of assuring and assessing competence of all on site.

Support

To support health and safety in the construction industry we will:

- support the second Working Well Together (WWT) annual conference in European Health and Safety Week and the second annual WWT awards and hold two promotional bus tours;

Consideration of further research needs will follow Mapping Health Project - final report received and shortly to be published on Internet.

Scoping work in hand. Project to continue into 2002/03. Two specific programmes identified - tower crane and tunnelling collapses now identified for 2002/03; and wider scoping research will also be carried forward into 2002/03.

Part 1 research by Symonds on *Identification and management of risk in undergraduate construction courses* published (CRR392) and high institution and media interest. Recommendations being considered to inform 'next steps'. Website developed to hold the teaching materials for undergraduates and lecturers.

Institutions and industry planning to provide 'champions' to assist in the delivery of health and safety teaching and initiatives by institutions in hand to improve delivery of health and safety education.

Industry initiatives for a fully competent workforce supported, in particular via Major Contractors Group and Construction Industry Training Board/CSCS testing regime.

WWT conference on 18 October 2001 focused on identifying and removing barriers to the challenging RHS targets set by the construction industry (94% of delegates considered it worthwhile and 80% committed to further action). Industry stakeholders fully engaged through workshops, the 'way

- further develop the WWT website to disseminate best practice and support action plans;
- use publications such as WWT News to promote RHS programmes and *Site safe news* to promote worker awareness of enforcement activities and good practice; and
- develop and promote guidance on management of HAVs and guidance on management of occupational health including for SMEs;
- facilitate development of an effective occupational health support system for construction industry;
- revise HSG150, targeting SMEs especially high risk trades and make this available on the WWT website; and
- support a pilot Workers' Safety Adviser (WSA) initiative in construction.

forward' conclusions agreed by CONIAC and further work in hand. Comprehensive information and progress reports to be posted on the website. WWT awards successfully held on 17 October 2001 and high media profile achieved. New 'worker' award well received. Four-week pan-Great Britain WWT bus tour with key messages reached 5000 site workers who also entered the WWT 'worker' competition. WWT 'local' groups increasingly active with excellent support in Scotland, through the South West Summit, the Haydock initiative and the Wales Civil Engineering Contractors Association event.

WWT website easier to access and more Action Plans displayed. Over 17 000 visits to the site.

Site safe news redesigned to improve message and impact and over 110 000 copies distributed.

HAVs' guidance: Decision taken to rely on generic HSE advice. Occupational Health (OH) guidance awaits resolution of some OH support issues. Proposals for joint publication with Construction Industry Research and Information Association (CIRIA) being developed.

OH support scheme: Feasibility study completed September 2001. Proposals for pilot study discussed by HSC and CONIAC and project plan under active development.

HSG150, the authoritative text on Health and Safety in construction, launched at October conference. Comprehensive advice for SMEs featured on the WWT website, 40 000 'hits' on HSE construction webpages.

Work continues with industry on implementing the construction WSA pilot, which went 'live' March 2002.

The absolutely essential health and safety toolkit for the smaller construction contractor, free guidance for SMEs and micro-businesses, launched at October 2001 conference and 30 000 copies distributed making this and on-sale publications exceed 110 000 for the year.

Year on year sales of current publications topped 650 000 (one for every other construction worker).

Health and safety guidance for the government client published by Office of Government Commerce (OGC Note 10), Revitalising Health and Safety (RHS) Action Point 21.

Other significant activities

Decision taken to create FOD Construction Division by April 2002. 'Change' task group established. New FOD Construction Division created by April 2002 target. New Divisional Management Board continues to implement change.

Major post-summit advertising campaign directed at workers and micro-businesses completed in popular newspapers (White Van Campaign). Further successful publicity initiatives targeted at supporting RHS in construction and in support of the WWT bus tour. High recall and recognition by industry; and messages adjudged 'on target.'

Pan-HSE construction priority programme and intervention strategy developed for implementation in 2002/03.

Table 6 Agricultural

Plans for 2001/02

Compliance

To improve compliance with the law we will:

- review relevant regulations eg the Prevention of Accidents to Children in Agriculture Regulations in consultation with other government departments (OGDs) and industry and develop new legislative and other approaches to respond to certain types of fatal and serious incidents;
- arrange for access to the Department of Environment, Food and Rural Affairs (DEFRA) database for targeting interventions and investigate the use of OGD contacts who visit farms to work as partners in achieving RHS targets;
- develop audit inspection techniques for group A premises, concentrating on HSE's priority inspection programmes and RHS programmes with enforcement as appropriate;
- blitz inspections at group B premises on a seasonal and work basis and related to priority programmes such as WRMSD, transport, falls from heights and other RHS programmes based on local knowledge;
- develop voluntary self-assessment audits for group B and C premises, visiting premises not returning audits;
- investigate specific incidents and ill health related to RHS targets and priority compliance programmes with enforcement as appropriate; and

Progress during 2001/02

In February 2002 HSC considered a draft CD proposing revised Regulations and ACOP. In light of this, HSC agreed to give further consideration to regulatory options, following wider discussion with stakeholders.

A proposal for access to the database was suggested for inclusion in a possible White Paper, which did not go forward. Other routes are being explored.

Audit protocol produced. Pilot audit undertaken in February 2002. Now set to roll out to all Divisions in 2002/03 and framework issued.

Six blitz inspections carried out. These included inspections concentrating on transport and working at heights. 421 regulatory contacts were made, 53 enforcement notices issued and 2 prosecutions initiated.

Initial draft of self-assessment form prepared. Bid made through the 'Invest to Save' scheme for money to support the project and bid accepted. Development underway.

The planned programme of contacts was disrupted by the foot and mouth (F&M) outbreak. However:

- 497 contacts had been made on WRMSD issues;
- 600 contacts had been made on transport issues;

- target visits to ensure designated equipment and machines that contribute to the number of fatal and major injuries in the industry are safe when supplied.

Continuous improvement

To promote continuous improvement and good practice HSE will:

- produce an integrated agriculture RHS strategy and agree with OGDs, the Agriculture Industry Advisory Committee (AIAC) and the industry;
- organise a high level conference in 2001 with OGDs, AIAC and key players in the industry on actions to deliver targets and sharing agendas;
- organise an 'internal' seminar for government departments with an interest in health and

- 409 contacts had been made on high falls issues;
- 40 contacts have been recorded to farms at which enforcement was necessary on child safety issues;
- 167 pesticide incidents (63 alleging ill health) were investigated. 47 enforcement notices have been issued under the Control of Pesticides Regulations 1986 (COPR) or the Food and Environmental Protection Act 1985 (FEPA) and 10 prosecutions (comprising 37 charges) undertaken. The first prosecution relating to the requirement for Local Environmental Risk Assessments for Pesticides (LERAP) was taken in FOD Midlands Division.

A small number of visits (eight) have been made on the initial integrity of machinery. F&M and lack of agricultural shows during the summer restricted the ability to carry out these visits.

Integrated RHS strategy on revitalising and occupational health formulated and discussed at the AIAC subcommittee on health in agriculture (HIAG), the AIAC and HSC.

Little progress due to F&M, but an opportunity has now arisen with the suggestion of a strategic review of the industry. HSE has responded to the Policy Commission consultation on the future of farming and food. Its report was published in January 2002 and helps set the future agenda for the industry. At the same time HSE is building more strategic links with DEFRA at all levels and we are seeking to plug into their initiatives.

Judged inappropriate to proceed due to F&M. Meetings were held between minister and senior

safety in agriculture to follow up on sharing agendas; and

- work with AIAC, local authorities and key intermediaries to agree targets and work for RHS on relevant topics.

Knowledge

To improve our knowledge HSE will:

- produce 'blackspot' reports relevant to targets on transport and falls from heights; and
- evaluate the success of the Safety Awareness Day (SAD) held in 2001/02, jointly sponsored by National Farmers Union (NFU), NFU Mutual and the land-based industries National Training Association (Lantra) and supported by NFU and Transport and General Workers Union (TGWU).

Skills

To improve skills and awareness we will:

- continue with Safety Awareness Days (SADs) for group C premises concentrating on HSE's priority inspection programmes and RHS targets.
- organise a SAD for group C (forestry workers, machinery rings, machinery dealers and gangmasters) concentrating on RHS targets;
- encourage industry led and sponsored joint NFU/TGWU SAD for employers and employees;
- agree training initiatives in the industry with the Employment National Training Organisation (NTO) linked to the RHS targets; and

officials for the Department of Transport Local Government and the Regions (DTLR) and DEFRA.

Meetings held with AIAC and relevant key intermediaries eg Agricultural Engineers Association, Rural Design and Building Association. Targets agreed and work items proposed.

Blackspot reports on transport - *Tractor action* and child deaths *Keep children safe on the farm* produced and launched and distributed free together with advertising campaigns.

Evaluation organised but delayed because of F&M. Work restarted February 2002.

12 SADs were held and were attended by over 4500 people.

Machinery ring SAD held in March 2002.

Two joint NFU/TGWU SADs held in November 2001 and February 2002.

Development of vocationally related qualifications for the management of health and safety in agriculture underway in HIAG with the assistance of NFU/TGWU and in liaison with Lantra, and the

- work with agricultural colleges and universities to improve health and safety management of students and health and safety knowledge of designers of machinery and agree course content.

Support

To ensure the right support systems are in place HSE will:

- work to ensure the European Committee for Standardisation (CEN) standards on designated equipment such as power take-off shafts (PTOs), trailers, sprayers, etc are suitable in respect of current UK standards;
- explore with industry and the NHS the development of rural/agricultural occupational health advice service concentrating on WRMSD and dust;
- organise advertising campaigns, press launches and exhibitions at relevant agricultural shows to increase knowledge of preventative measures relating to RHS targets; and
- produce relevant publication and internet advice on RHS topics and targets.

NTO. First drafts produced. Induction training guidance for the industry underway.

Work started late 2001 in terms of curriculum changes and induction training.

Redrafted wood chippers standard circulated. International Standards Organisation (ISO)/CEN standard on tree service chainsaws researched and prepared. Difficult negotiations on CEN standards for sprayers, PTOs and combines.

70 key intermediaries/stakeholders identified and invited to OH Conference held in October 2001. Conference agreed a range of projects on delivery of OH services to agricultural sector and a report of the conference has been published.

Advertising campaigns organised on transport, falls from heights and children (timed to coincide with school holidays). Press launches held on transport and children, traction action and child deaths. A new press advertising campaign organised and started in January 2002 based on diversification and RHS issues.

Work underway in connection with government response to Joint (SE/Food Standards Agency (FSA)) Task Force Report on E.Coli 0157.

Other significant activities

Launch of new industry Code of Practice on Training of Machinery Operators in the Horticulture Sector.

Launch of new industry Code of Practice on the maintenance of mobile agricultural machinery.

Liaison established and continuing with DEFRA, Department of Health (DOH) and OGDs on formulating a joint departmental response to the Joint Task Force on E.Coli 0157.

Sector represented the UK Government at the ILO Second Committee Stage on the draft Convention on Safety and Health in Agriculture.

Annual 'fatals'

(<http://www.hse.gov.uk/fod/fatal01.pdf>) and 'pesticides' reports prepared and launched together with briefing materials.

Advice and guidance provided (and ongoing) to the Forestry Commission, Countryside Agency and other interested parties on the Commons Right of Way Committee 2000.

Research organised into the use of karabiners in arboriculture and the use of mobile elevating work platforms (MEWPS) in arboriculture (both in falls from height programme), and security of loads in transporting round logs in forestry (transport programme).

Ongoing liaison with NFU and TGWU on the protocol for the roving safety representative project. Work restarted following delay caused by F&M.

Table 7 Health services

Plans for 2001/02

Compliance

To improve compliance we will:

- support the National Health Service (NHS) Central Approach;
- ensure all NHS regions have suitable targets and action plans for each Trust, providing HSE support as appropriate;
- develop and agree similar programmes and targets for Wales and Scotland;
- agree memorandum of understandings with the Care Standards Commissions (CSCs); and
- carry out compliance-based interventions on manual handling, and violence at 40 targeted NHS Trusts, and 200 Registered Nursing Homes (RNH).

Progress during 2001/02

A key aspect of our work this year was the central approach to the eight regional offices of the NHS to support their human resources initiatives. This intervention had to be curtailed due to the major re-organisation of the DoH, and the demise of the regional office structure in March 2002. However, the central approach will continue with the 28 new Strategic Health Authorities as they become fully operational in October 2002.

NHS Wales has started collection of baseline data for health and safety performance in their Trusts. Trusts must develop action plans to achieve the RHS targets and report progress annually.

NHS in Scotland: minimum datasets on occupational injury and ill-health have been collected and work is underway to improve data quality.

Work has begun with the England, Wales and Scotland care inspectorates to draft memorandum of understanding (MoU). For England, an interim agreement on liaison arrangements is in place and inspectors informed by SIM (Sector Information Minute) 7/2002/11; in Wales, significant progress on drafting an MoU has been made; and in Scotland, legal and constitutional issues are under consideration before further progress can be made.

By 31 March 2002, compliance-based visits had been made to 48 NHS trusts with the highest MSD related accident rate (as reported under RIDDOR), and 224 RNHs in the private sector. The work ensures compliance with the Manual Handling Operations Regulations and identifies examples of good practice. Work will continue in future years through interventions by inspectors (jointly with the CSCs in the private sector).

Continuous improvement

To promote continuous improvement we will:

- identify examples of good practice in managing violence;
- identify examples of good practice in patient handling (including the Ambulance Service); and
- develop with the Health Services Advisory Committee (HSAC), targets and monitoring systems for the private sector.

Knowledge

To improve our knowledge and data collection we will:

- develop programmes to improve knowledge on manual handling and violence in the private sector;
- identify the main underlying causes of slips/trips in healthcare, and assess the need for research and sector specific guidance;

The sector has been working with the British Institute of Learning Disabilities in developing an accreditation scheme for training and instruction on the management of violence and aggression. Following on from this, work will take place during 2002/03 to identify examples of good practice in managing violence.

Examples of good practice in patient handling have been identified and presented in Sector Information Minute (SIM) 7/2001/44.

Arrangements are in place to enable inspectors to commission expertise in patient handling/movement, presented in SIM 7/2002/03.

HSL has prepared a research proposal to assess the ergonomic design of carry chairs in common use in the ambulance service.

The Independent Healthcare Association (IHA) has agreed to establish baselines for sickness absence, by a proforma to members. The proforma has been agreed and will shortly be sent out by IHA.

Programmes will be developed in 2002/03 that build on RIDDOR analysis (see 'Skills' below) and from the collection of baseline data (see 'Continuous improvement' below).

Analysis of causes of slips and trips has been completed and work is currently underway with the slips and trips priority programme manager to produce a sector specific information sheet. Inspectors will use this to raise awareness levels of this hazard during the 2002/03 and beyond inspection programmes.

- identify links from visits between management of violence and outcomes of research on work-related stress;
- identify and follow up specific actions from the research report on managing stress in the NHS, expected mid 2002;
- use National Audit Office (NAO) study to devise a ready reckoner for the costs of incidents/ill health in the NHS; and
- pursue research on cost/benefit of health and safety management in the NHS.

Skills

We will develop programmes to improve skills to manage manual handling and violence in the private sector.

Violence and work-related stress will be discussed during the 2002/03 inspection programme. Potential links will be identified from Trust reports following such visits.

The stress research project *Interventions to control stress at work in hospital staff* has been completed and was published as CRR435 on the Internet in May 2002. This work is contributing to our knowledge base on causes of stress in the NHS and on developing interventions. The work will roll forward into 2002/03 and will result in the publication and promotion of HSAC guidance.

A number of meetings, both formal and informal have taken place with the NAO on their repeated Value For Money study into accidents in the NHS. Further work will take place in 2002/03 to produce a ready reckoner or guidance on costings of accidents.

HSE sponsored research on cost effectiveness is due to be published shortly. During 2002/03, we will review how to use this research to best effect.

Analysis of RIDDOR data to identify causation of reported MSDs has been completed and further work to analyse investigations is in hand. This work can be fed into future strategy and development for use with the independent sector via the CSCs in the next work year.

The Royal College of Nursing has published guidance for care home managers on managing the risks of MSDs.

Other significant activities

The Sector held a meeting with the Mental Health Commission to discuss respective roles in mental health units. Future informal liaison arrangements were agreed and a MoU will not be required.

The priority programme for 2002 onwards has been recast to reflect NHS organisational changes and to allow for a more considered Evaluation Plan to be developed. It is, however, only possible to set out interim arrangements while the impact of the budget statement and the linked recommendations of the Wanless Report are assessed. Central to this urgent work will be the identification of new opportunities for placing the RHS objectives within the central, high-level service delivery mechanisms that are being rapidly developed to accompany the new resourcing arrangements. Re-engaging with ministers and top officials in DoH is likely to be key.

Table 8 Slips and trips

Plans for 2001/02

Compliance

To promote compliance with the law, local authorities (LAs) will:

- focus inspection activity on slips and trips, especially in sectors with known high incidence rates.

Progress during 2001/02

The HELA Strategy 2001-04 requests LAs to focus inspection activity on sectors with high slips risk. There has been much activity by LAs during 2001/02, eg a local authority in the northwest targeted catering establishments during a slips/trips enforcement initiative. Approximately 100 premises were visited and varying types of formal action were taken to ensure compliance, including formal caution, 13 improvement notices and formal letters.

A HELA slips and trips working group was formed, first meeting held in October 2001. A programme of action by HSE inspectors has been produced to support the priority programme (PP) from April 2002. This includes a preventative inspection strategy and the issue of a supporting inspection topic pack. HSE and LA inspectors will use the inspection pack during 2002/03.

Knowledge

To improve our knowledge on slips and trips we will work with LAs to:

- carry out research into causation and risk communication to inform future targeted activity;
- conduct a detailed study of all slip and trip incidents reported for the LA enforced sector and use the findings from this study to inform 'real workplace case studies' in LA enforced industries/employers; and
- (under the health services priority programme) identify the main underlying causes of slips, trips and falls in healthcare, and assess the need for research and sector specific guidance.

Skills

To improve skills in managing slips and trips we will work with LAs to:

- provide training courses for LA inspectors and others.

A research strategy has been produced including a list of research proposals for 2002/03 onwards.

An initial study of reported accidents in the food retail sector was completed. Further work to establish richer information is being discussed.

Real workplace studies have started in supermarkets and fast food outlets to help gain richer information about slips and trips.

Human factors research about changing attitudes, in conjunction with food retail sector, has started. This work, along with the accident and real workplace studies, will inform guidance for this sector.

A health services sector information sheet on slips and trips in the health services industry will be produced towards the end of 2002.

'Slips roadshows' and other workshops were delivered as follows:

- 6 slips roadshows for local authority enforcement officers;
- 1 slips roadshow for lead authority partnerships;
- 1 slips roadshow for food production companies.

Impact evaluation of the roadshows has started and has already highlighted LA and industry slips initiatives following the training events. For

Support

To develop appropriate support systems we will work with LAs to:

- pilot the HSE/HSL Pedestrian Slipping Expert System (PSES) to support enforcement officers and industry. The PSES is a CD ROM-based tool which helps the user assess slips risks;
- develop a publicity strategy including case studies; and
- promote existing HSE Guidance and the HSE video *Stop slips*.

example, workplace trials of new safety footwear are taking place in a pet food company, a distribution company and a supermarket. The pet food company trial has been especially successful and resulted in an immediate reduction in slipping accidents and financial savings.

In preparation for its contribution to the programme in 2002/03, HSE piloted two successful events in partnership with LAs:

- a slips/trips stakeholder seminar for medium/large companies and intermediaries, such as training organisations and small business services;
- a workshop for representatives of companies, from shop floor to management, to foster team working and develop action plans to reduce slips and trips.

Further regional events of this kind are planned for 2002/03.

The development phase for the system completed; field trials by LA and HSE inspectors will start in July 2002 (although the PSES has already been used on some visits by HSE inspectors and field scientists).

A communications/publicity strategy has been produced. Two meetings have been held with HSE's communications agency to take forward the strategy, which includes a publicity campaign, the re-launch of the *Stop slips* video and the creation of slips and trips pages on the HSE and HELA websites.

Other significant activities

Exhibitions and demonstrations - the following were targeted to increase awareness: TUC; Supermarkets Health and Safety Liaison Group; Royal Environmental Health Institute Scotland (REHIS) congress and health and safety update course; Safety Representatives Conference.

Articles were produced for the Royal Institute of British Architects (RIBA) journal and the Safety and Health Practitioner.

WORK IN MAJOR HAZARD INDUSTRIES

Introduction

1.27 Much of HSE's work is about the management of health and safety in high hazard industries and the control of major hazard events - the prevention of major incidents where the health and safety of many people, whether workers or members of the public, is affected.

1.28 In September 2000 HSE published a discussion document (DD) on regulating higher hazards. This explored the issues and principles underlying the legislative framework for hazards as exemplified by the offshore, chemicals, rail and nuclear regimes. The DD had the objective of increasing transparency, stimulating discussion and seeking views on the approaches adopted. In light of the views submitted, HSC reaffirmed the importance of clarity in its approach and has decided to develop the ideas further and publish a statement of principles relating to regulation of higher hazards by use of 'permissioning' regimes (ie those involving licensing, safety cases etc) during 2002/03.

1.29 Progress with published plans during 2001/02 follow. Sectors covered are those where the control of major hazards is critical, for example, railways, gas conveyance and onshore major hazard pipelines, chemical installations covered by the Control of Major Hazards Regulations (COMAH), explosives and the mining, offshore and nuclear industries.

Table 9 Railways

In 2001/02, work to secure improved standards of health and safety on the railways was driven by a major review of working methods and by operational work targeted at the prevention of catastrophic failures and the improvement of compliance. The reports of the two public inquiries established by the HSC following the Ladbroke Grove disaster in October 1999 were published during the year and established a broad agenda for change (the Ladbroke Grove Rail Inquiry, which looked at the immediate factors surrounding the disaster and wider safety management issues within the industry, and the Joint Inquiry into train protection systems).

Four particular themes driving HSE's work in 2001/02 were:

- prevention of catastrophic failures;
- improving health and safety of those working on or using the railways;
- policy and strategic development work; and
- changing attitudes: improving the safety culture in the industry.

Further information can be found in HSE's Railway Safety Report 2001/02 due for publication towards the end of the year.

Prevention of catastrophic failures

The prevention of catastrophic failures has formed a large part of the preventative planned inspection programme in 2001/02. In January 2002 a report of findings of an inspection into the driver management process of 13 train operating companies (TOCs) was published.

Train protection strategy

HSE will take forward the train protection strategy by:

- monitoring the industry programmes for fitment of Train Protection and Warning System (TPWS) equipment;
- developing a major industry/HSE working group to review arrangements for the train protection systems generally, including the impact of the conclusions of the Joint Inquiry into Train Protection Systems and relevant European Directives.

HSE continues to give very high priority to ensuring that industry delivers fitment of the TPWS to the programme agreed under the Railway Safety Regulations (1999). Progress throughout the year, both on track and train fitments, has been significant and by end of year the industry is broadly on programme and delivering fitments at the highest rate that the programme requires. Around 60% of the track fitment programme is complete and around 60% of passenger trains are now fitted with TPWS. Evidence is building of a significant contribution to railway safety. HSE has also endorsed Railtrack's proposals for fitting TPWS+ to the network, which will provide greater protection for trains running at up to 100 mph.

In response to the Uff/Cullen Inquiry Report, industry has formed a Programme Board to develop a national implementation strategy and plan for fitment of the European Rail Traffic Management System (ERTMS). The outcome of this work was reported to HSC in April 2002. HSE has an observer role on the Programme Board and has played a full part in encouraging the Programme Board to deliver a robust and quality analysis to HSC.

HSE's work in independently investigating Signals Passed at Danger (SPADs), with the potential for serious consequences, continues, as does the publication of monthly reports.

In January 2002 HSE published two reports dealing with multiple-SPAD issues and one on the review of driver management within TOCs.

HSE also published a SPAD enforcement policy, setting out the circumstances in which inspectors will take enforcement action to secure improvements

Securing compliance through the new Railway Safety Case Regime

HSE will engage with dutyholders and stakeholders to:

- take forward a programme, in light of the new Railway (Safety Case) Regulations 2000 (RSC Regulations), to assess new and revised safety cases to ensure requirements of the Regulations are met, in particular, seeking improvements in risk assessment and its effective linkage to management arrangements and control;

- undertake targeted planned inspections of railway operations to validate compliance with accepted safety cases;

identified while investigating SPADs. HSE successfully piloted and then implemented HSE's Enforcement Management Model (EMM) across its field force from April 2002.

Lord Cullen's Part 2 Report on the management of railway safety and the regulatory regime in general (published in 2001) endorsed the safety case regime.

HSE's programme of assessing new and revised safety cases was among the most significant work carried out by HSE in the year. A key part of HSE's assessments was the preparation of an intervention plan for each dutyholder. These will form the basis of a planned inspection programme for each dutyholder over the next three years.

The safety cases HSE assessed for London Underground Limited (LUL) in preparation for the Public Private Partnership initiative involved the single largest programme of inspection of LUL ever performed by HSE. Another important piece of safety casework during the year (completed in April 2002) was HSE's assessment of the transitional review of Railtrack's safety case, taking Railtrack from the old to the new RSC Regulations. HSE developed intervention plans for these in parallel with the safety case assessment.

Enforcement action taken in relation to safety case assessment has included improvement notices requiring the submission of a revision to a safety case (Heritage Railway); a requirement to comply with procedures for investigating incidents and a requirement to provide a validation for a proposal to remove a post of Chief Operating Officer (Railtrack).

- to develop new field procedures for assessment and acceptance and for planning subsequent interventions;
- to consider audit reports from Railway Safety (a Railtrack subsidiary company who will be required to submit assessment of railways safety cases to HSE), and consider enforcement action to secure compliance where necessary.

Initial integrity (safe by design) of new and altered works

HSE:

- has a statutory responsibility to approve new and modified works before they are brought into use through the Railways and Other Transport Systems (Approval of Works, Plant and Equipment) Regulations 1994 (ROTS). HSE's technical assessment of proposed schemes and the subsequent interaction with the scheme proposer provides a level of assurance that the proposed design will minimise the potential for major hazards as well as other health and safety risks;
- will review the future of this work in the light of the HSC's discussion exercise on permissioning regimes and the introduction of legislation implementing European Directives.

HSE accepted 39 new safety cases (78% of profile) and exempted 93 (93% of profile).

HSE developed and published its new field procedures for assessment, development and intervention planning in October 2000. With the involvement of representatives from the railway industry, HSE then reviewed the Railway Safety Case Manual in the last quarter of 2001 and republished it on the HSE website. HSE then ran industry seminars to explain the requirements of the new Regulations and retrained all its inspectors in the new procedures.

Railway Safety has delivered regular audit reports to HSE through the year, which HSE has found a useful source of intelligence.

HSE is currently considering options for amending provisions for annual railway safety case audits (anticipated winter 2002/03) to take account of the creation of the Railway Industry Safety Board (RISB).

In its administration of the approvals system during 2001/02 HSE issued 402 approvals for bringing works into use and issued 316 letters of no objection to concept or design proposals.

Following comments received in HSC's consultation exercise on permissioning regimes, HSE has now decided that work on the review of ROTS will be taken forward during 2002/03 as part

of HSE's evaluation of the railway safety case regime. Some areas of HSE approval will fall within the requirements of the Regulations introduced to implement the Highspeed Interoperability Directive in May 2002.

Improving the health and safety of those working on or using the railways

HSE will implement a risk-based inspection programme to monitor compliance with health and safety legislation, based on information received through the new safety case regime. The objectives will include reductions in incidents, injuries (to passengers, workers and other members of the public) and to promote best practice. The programme will include:

- a joint industry campaign to prevent trespass and vandalism including further development of the poster, video and school visit campaign begun in 1999, and co-ordinated by the HSC's Railway Industry Advisory Committee (RIAC);
- monitoring arrangements for maintaining the infrastructure, including track, signalling, embankments, tunnels and structures;

Work on trespass and vandalism has continued at a high level throughout the year and includes work with schools, British Transport Police and Local Education Authorities as well as Railtrack and TOCs to tackle the significant risks posed by such behaviour. During the year this work has been strengthened by the appointment of Railway Inspectorate contact officers (RICOs). Firm enforcement action included the case of the death of a 12 year old following which English, Welsh and Scottish Railways (EWS) and Railtrack were prosecuted and fined £120 000 for failing to provide adequate fencing.

HSE drafted papers on track maintenance strategy and rail maintenance strategy which are still being revised.

HSE inspectors continued to support the British Transport Police (BTP) investigation of the Hatfield accident. Inspectors also visited Railtrack zones' head offices and infrastructure maintenance contractors (IMCs) to ensure they are meeting existing standards for track inspection and maintenance. HSE consulted closely with Railtrack to achieve necessary compliance with industry standards, taking formal enforcement action where appropriate.

HSE programme addressed the maximisation of green zone working and safe working systems in red zone and red zone prohibited areas.

- on London Underground, inspect the arrangements for ensuring passenger safety at the platform/train interface.

HSE also took action to require the implementation of a new industry-wide standard for track worker safety, reducing risks to such workers. It issued an improvement notice to enforce the implementation of the first key stage of this standard.

HSE produced a position paper reviewing statistics and current initiatives on:

- passenger use of stairs and escalators, falls from platforms onto lines and strikes from trains;
- staff falls from heights, from railway vehicles and from the same level. Further workstreams based on this paper will follow in 2002/03.

Policy and strategic development

Major reports setting out a range of fundamental recommendations have been, or are in the process of being, prepared and published, and the HSC will be taking forward action, in conjunction with Government, the other railway regulatory bodies and the industry. HSE supported the delivery of three major reports into railway safety arising from public inquiries established by the HSC under section 14(2)(b) HSW Act (the Joint Inquiry into Train Protection, The Ladbroke Grove Rail Inquiry Parts 1 and 2). During 2001/02 HSE will

- monitor implementation of recommendations from Professor Uff's report on the Southall train incident;
- receive Lord Cullen's two reports on the Ladbroke Grove accident and safety management in the industry and the Joint Inquiry into Train Protection Systems, study, assimilate their recommendations and develop plans (including the development of a database of all accident inquiry recommendations to monitor progress) to take them forward; and

HSE has developed action plans with industry and published progress reports on each enquiry. The final report on progress on the Southall Inquiry was published in spring 2002. Progress on the few Southall recommendations where work continues will be reported on in a single report covering all railway public enquiries.

HSE has been actively involved in the development of proposals for the new industry bodies recommended by Lord Cullen - the Railway Accident Investigation Body and the Railway Industry Safety Body. HSE:

- modified its approvals database (CRISP1) to enable it to be used as a basic recommendation tracking database;
- has produced half-yearly status reports on Uff and Cullen recommendations;

- HSC will review the operation of its advisory committees and will consider ways of enhancing the operation of RIAC, which is the most broadly representative body within the rail industry involving operators, unions and passenger representatives.

Changing attitudes: improving the safety culture

Developing the competence of those working within the railway industry is a key challenge for the next few years. The HSE will work closely with the Strategic Rail Authority (SRA), Department for Education and Skills (DfES), the Railway Industry Training Council (RITC) and industry stakeholders to help develop appropriate plans and schemes of competency assessment. HSE will also review the operation of the Railways (Safety Critical Work) Regulations 1994.

- contracted with consultants Amey Vectra to develop a systematic recommendation management and tracking system;
- worked to gain agreement and implement the new system. Amey Vectra has so far produced eight reports on various aspects of the recommendation management and tracking process, business area implications and drafting, verification and validation techniques. Implementation is now being taken forward.

In response to recommendations by Lord Cullen the terms of reference of RIAC have been amended to increase the number of passenger representatives and to make the committee more strategic in its outlook. Margaret Burns, a member of HSC has been appointed as Chair of RIAC.

HSE, SRA and DfES, DTLR, RITC and Railway Safety (among others) actively participated in the working group that formulated the Framework for Skills Programme (designed to push those skills the railway industry needs for safety, performance and future growth further up the industry's agenda) and in the programme itself.

The review of the Safety Critical Work Regulations has begun and will continue during 2002/03.

HSE took part in a RITC conference on developing and maintaining skills and competences in general in the railway industry. Further conferences are planned in 2002/03.

HSE inspectors and RICOs visited railway companies carrying out safety critical work to assess how well they were complying with the 1994 Regulations. Information gained showed failures to take account of human factors, competence and fitness issues when undertaking safety work.

Table 10 Gas conveyance and on shore major hazard pipelines

Plans for 2001/02

The Gas Safety (Management) Regulations 1996 (GSMR) aim, by a safety case permissioning regime, to ensure the integrity of the gas distribution network and that emergency arrangements are in place to deal with a major gas leak. HSE assesses the safety of major hazard pipelines by examining their design and integrity under the Pipeline Safety Regulations.

Progress during 2001/02

Work includes the assessment of safety cases and verification inspections.

14 GSMR safety cases were assessed (out of a planned nine). The high number of safety cases affected the number of GSMR chargeable inspections: six were carried out against a planned 18.

Table 11 Control of Major Accident Hazards Regulations (COMAH)

Plans for 2001/02

Progress during 2001/02

COMAH was introduced on 1 April 1999 and aims to prevent and mitigate major chemical accidents, which could harm people and the environment. The HSE and the Environment Agency (EA) in England and Wales and HSE and the Scottish Environmental Protection Agency (SEPA) in Scotland enforce COMAH. In both cases HSE and the EA or HSE and SEPA act jointly as the competent authority (CA). The CA has a statutory duty to:

- assess safety reports within a set time and convey their conclusions to operators;
- prohibit operations if there are serious deficiencies in the measures to prevent or mitigate the consequences of a major incident;
- investigate major accidents; and
- set up an inspection programme for all COMAH establishments.

Since 1990 there have been 50 major accidents at establishments covered by COMAH. Of these, six involved death or serious injuries to workers, 14 less serious injuries to employees, and four injuries to people off-site. This number is expected to rise because of the extended scope of COMAH and the inclusion of accidents to the environment. The occurrence of near miss serious incidents is much higher and it is largely a matter of chance whether they result in injury.

COMAH

In 2001, there were approximately 450 top tier sites and 1200 lower tier sites; currently there are approximately 357 and 717 respectively. The priority for the next three years is to:

- assess safety reports for top tier COMAH sites;

14 safety report assessments were completed against a plan of 268. A large number were rejected due to a lack of required information.

- review major accident protection policies for lower tier sites;
- review site emergency plans;
- review land use planning policy and procedures for LA consultation about developments around major hazard sites; and
- verify inspections to reconcile claims made in safety reports with conditions on site.

Lower tier sites are currently less of a priority and greater efforts are being diverted to complete safety reports and carry out top tier inspection.

Guidance has been developed on the assessment of emergency plans and a pilot is being run asking inspectors to use this guidance for assessment.

A scoping paper has been produced for discussion.

Because of the difficulties encountered with the information contained in the safety reports, only a small amount of verification inspections have been carried out this year.

Occupied buildings

A programme will be carried out to improve the siting and design of occupied buildings on major hazard sites to ensure that workers are not placed at any greater risk from site hazards because of having to occupy buildings on site, to safeguard plant shut down in the event of an emergency and, on explosive sites, to develop and implement standards for the design and location of occupied buildings within safe separation distances.

Chemical sites

We will assess the design and location of occupied buildings at approximately 300 top tier COMAH establishments for compliance with the Chemical Industries Association guidance.

A fundamental review of this project is being undertaken. Progress on safety report assessment is required to establish progress to date.

Explosives sites

At licensed explosives sites, distances between process and storage buildings in explosives factories are set out in a license. But there are many instances of 'remote' operation when workers are located in, for example, an annex or compartment within the license distance. There are no standards for the construction and location of such places and there have been explosions resulting in injuries to workers.

11 of the 15 sites identified as falling within the occupied buildings criteria have been visited. Preliminary discussions have taken place within HSE regarding information collected, with a view to taking forward the assessment, collation and evaluation phase of the project.

In consultation with the Explosives Industries Forum, we will carry out a survey of all buildings

to identify those to be targeted. Site licensees will be required to provide a risk assessment within an agreed time. Standards will be set and a model for assessment developed, a programme of improvements will be agreed with industry, and guidance on standards of construction, distances and mitigatory features will be produced.

Table 12 Mining industry

Plans for 2001/02

Progress during 2001/02

Mining legislation requires an ongoing commitment by HSE to ensure health and safety in mining and associated activities. Failure to properly control the coalmine environment can result in high consequence incidents. This is a key area of the management of risk in mines.

During 2001/02 HSE will undertake:

- a programme of 400 planned inspections at large coalmines which includes investigation into the effectiveness of the control of risks from explosive dusts and gases. All reportable fire or ignition incidents will be investigated;
- assessment of musculoskeletal disorders (MSD) (under the priority programme); and
- control of respirable dust to prevent pneumoconiosis.

There were no high consequence events.

478 inspections were undertaken.

All reportable fires and ignitions were investigated.

49 Coal and Other Mines (Ventilation) Regulations 8(2) notices were investigated. The number of notices increased from 146 to 184, due in part to severe barometric fluctuations in early 2002. Work is ongoing at several mines to identify sources and reduce the impact of intake contamination.

Investigation of selected notices has continued.

Rising trends in incidents of hand arm vibrations (HAVs) has meant a re-prioritisation of work and targets on MSDs will be carried forward to 2002/03. However one audit was completed.

All adverse dust notifications were investigated. Inspectors have investigated instances where dust levels have been at less than the notifiable level but were, nevertheless, elevated. This will continue and has raised awareness of dust control issues at mines. The number of notices increased from 5 to 6

which, on these low numbers, is not statistically significant. Encouragingly, there were no notifications in the final quarter of the year.

Control of respirable dust discussed with all stakeholders at MI's employer/employee health and safety meetings and with individual unions. Trials have begun at some large coalmines with a novel form of micro-droplet spray in an attempt to reduce intake contamination.

Other significant activities

Assessment of exposure to diesel vehicle exhaust fumes in mines: A prototype instrument, which can measure diesel particulates in coalmines, has been developed. Work has continued as part of the planned inspection programme. Trial with use of biodiesel was curtailed by mine closure.

Table 13 Offshore industry

Plans for 2001/02

Progress during 2001/02

Management of offshore process integrity

A three-year programme to give greater emphasis to process integrity in order to reduce hydrocarbon release numbers. This is a combined programme of process inspections, investigation of reportable releases and a campaign to raise awareness of the issue with dutyholders.

Analysis of the results from the 2000/01 release investigation project: report detailing the results from the analysis, including root causes to be published in 2001/02.

Targeted 10 part inspection plan for all normally attended production platforms.

Raising awareness.

A report was issued at the Offshore European Conference in September 2001. Of the root causes, the largest category was inadequate design (29%) followed by inadequate inspection/condition monitoring (28%), inadequate competency (11%), inadequate compliance monitoring (10%) inadequate procedures (9%) and inadequate risk assessment (8%).

Approximately 35% of the inspection plan has now been completed. The findings have been subject to regular review and together with the results from the release investigation project have lead to joint HSE/UKOOA (United Kingdom Offshore Operators Association) action to formulate good practice in problem areas. In particular:

- a final version of the good practice guide on bolted pipe joints was agreed and the document will be formally launched this autumn;
- a joint UKOOA/HSE group was set up to formulate good practice with respect to the management of flexible hoses (associated with 4% of all releases in 2001/02).

The campaign continued with a number of talks to dutyholders and industry bodies being made in 2001/02.

A second joint HSE/UKOOA offshore hydrocarbon release seminar was held in November 2001 attended by 130 delegates. Presentations describing individual initiatives to reduce release numbers were given by a number of dutyholders.

Safety standards in floating production, storage and offtake installations operations (FPSO)

There are significant hazards involved in FPSO operations, including collision between production installations and vessels (eg storage or offtake vessels). This programme is designed to encourage the reduction in loss of station keeping events, one of the main initiating events, which currently stand at seven per shuttle tanker a year.

Incorporating health and safety in design

HSE will conduct a three-year programme focused on incorporating health and safety at the design stages of major offshore projects through the safety case assessment process at the design and construction stage and inspection of major new design, construction and modification projects.

Reduce accidents during lifting operations offshore.

The campaign continued with a number of talks to dutyholders and industry bodies being made in 2001/02.

A second joint HSE/UKOOA offshore hydrocarbon release seminar was held in November 2001 attended by 130 delegates. Presentations describing individual initiatives to reduce release numbers were given by a number of dutyholders.

UKOOA guidance on FPSO/shuttle tanker collision risk management finalised and approved for publication.

UKOOA/Navion (Navion is a tanker charting company) DARPS (a position reference system) Safety Alert issued.

HSE presentation to Navion shuttle tanker workshop in March 2002.

Pilot application of Design Capability Maturity model to British Petroleum (BP) Clair project completed in collaboration with BP. Results reported to UKOOA Safety in Design Working Group.

Technical guidance has been published.

Programme of visits to all major offshore drilling contractors completed.

Contributed to industry-led guidance.

All lifting Dangerous Occurrences (DOs) and reportable accidents have been analysed for root causes.

First year programme of inspections completed.

Table 14 Nuclear industry

Plans for 2001/02

Progress during 2001/02

Under the nuclear licensing regime HSE inspectors have continued to inspect all 40 licensed nuclear sites in Great Britain to monitor compliance with the 36 nuclear licence conditions including safety cases for operation of the sites. A top priority has been to ensure operating nuclear installations and those undergoing decommissioning, are operated, maintained and dismantled in a way that minimises risks to workers and the public so far as reasonably practicable. HSE has continued to support international nuclear safety initiatives. Following the entry into force of the Joint Convention on the Safety of Spent Fuel and Safety of Radioactive Waste, HSE is developing its input into the UK report on compliance in readiness to meet the end of year deadline. HSE also assisted the Department of Trade and Industry (DTI) in completing the second national report on compliance with the Convention on Nuclear Safety. HSE has started work to look at best practice in the nuclear industry and other nuclear regulators to develop performance indicators that will demonstrate whether risks are being adequately managed in the nuclear sector. HSE continued to deliver, in conjunction with nuclear operators, an agreed programme of nuclear safety research.

Key programmes of work include:

- work with relevant stakeholders and Nuclear Safety Advisory Committee (NuSAC) to consider issues arising from the Department of Trade and Industry's (DTI's) Quinquennial Review (QQR) of the United Kingdom Atomic Energy Authority (UKAEA);
- considering actions needed to ensure adequate education and skills provision for the industry of the future;
- strengthening co-operation with the Environment Agency (EA) and Scottish Environmental Protection Agency (SEPA);

HSE has worked closely with DTI and key stakeholders to take forward issues arising from the QQR, especially work relating to the establishment of the Liabilities Management Authority.

An updated review of nuclear education in universities has been completed and placed on HSE's website.

Data on nuclear licensees is being gathered as part of the Nuclear Skills Group activities.

In May 2002 HSE will commission work to gather complementary data that will provide a view of the nuclear skills and training provision in the larger licensees.

There is regular contact between HSE and the EA and SEPA at all levels on regulatory and liaison issues.

- developing synergies, following agreement of an MoU with DTI's Office for Civil Nuclear Security (OCNS); while assisting DTI to modernise the security legislative framework using health and safety regulations;
- regulation of British Energy's (BE) proposal to make more effective use of resources to operate Scottish and English power stations;
- regulation of the construction and commissioning of the nuclear submarine refuelling facilities at Devonport to ensure UK's strategic defence capability, in parallel with Ministry of Defence plans;
- dealing with issues concerning decommissioning and radioactive waste management, including the Quinquennial Reviews of licensees' decommissioning strategies (QQRs);
- a programme of team and augmented inspections;

A joint HSE/EA statement of intent on working together has been developed and is reflected in the revision of the Memorandum of Understanding (MoU).

Work on developing working arrangements in support of the MoU between HSE and OCNS was underway when the terrorist attacks occurred on 11 September. There followed a significant and continuing collaborative effort between HSE, OCNS and industry to identify vulnerabilities, consequences and additional countermeasures in the light of these new threats. HSE and OCNS continue to work together closely to ensure both security and safety needs are effectively met.

Progress is being made in closing out the 100 plus recommendations arising from a Nuclear Installations Inspectorate's audit report of British Energy's Operations focusing on safety functions of Headquarters-based staff. But it is taking time for BE to assemble and present the evidence HSE requires for this. HSE will be in a position to consider BE's proposals for integration once adequate progress has been made on the remaining recommendations.

HSE agreements and permissions have been issued in a timely manner consistent with Ministry of Defence's plans and licensee programme requirements.

Reports of findings from the BE and British Nuclear Fuels Ltd (BNFL) Magnox QQRs were published in 2001/02 and are available on the HSE website. Three further reports have been published in the first quarter of 2002/03.

Augmented inspections were carried out at Sellafield and team inspections of Aldermaston, Rolls Royce Marine Power Operations Ltd and safety-critical electrical systems at British Energy sites.

- 37 periodic safety reviews at nuclear chemical plants (over a three-year period);

- review and assessment of 37 Special Hazard Assessments (SHA) under Ionising Radiation Regulations for nuclear submarine systems and facilities;

- carry out an agreed programme of UK nuclear emergency exercises;

- re-licensing of the merged Magnox Electric and BNFL - by 31 May 2001;

A joint inspection with the Naval Nuclear Regulatory Panel (NNRP) was undertaken at Devonport and joint HSE/NNRP audits were carried out at Vulcan and Clyde.

Joint inspections with SEPA were undertaken at Dounreay.

Work has commenced on the Material Transport Inspection at United Kingdom Atomic Energy Authority (UKAEA) Harwell/Windscale.

At BNFL's sites, ten safety case reviews were completed (four at Springfield and six at Sellafield). Work on a further two reviews at Sellafield were carried forward to 2002/03 and a revised programme of reviews for the site was agreed with BNFL.

At UKAEA's Dounreay site, assessment of one review is underway and a further three are to be submitted for assessment.

Requirements for SHAs have now been subsumed by Radiation (Emergency Preparedness and Public Information) Regulations 2001 (REPPPIR) which require Hazard Identification Risk Evaluation Reports (HIRERs), notification of material changes and submissions of reports of assessment.

Two significant material change submissions were reviewed and initial assessments and responses have been made to 22 REPPPIR Reports of Assessment.

HSE satisfactorily promoted a programme of nuclear emergency exercises including annual testing of on-site arrangements at each nuclear licensed site, and off-site arrangements around those sites in the rolling national three-year programme.

Delayed while the EA processed the issue of new discharge authorisations for the stations.

- regulation of the performance of the new licensee at Atomic Weapons Establishment (AWE) plc, and reporting to ministers by 31 May 2001;
- assessment of the strategy of high level liquid waste storage at Sellafield by 31 August 2001;
- closing out of the findings of the safety audit of Dounreay by 28 September 2001 and of BE by 31 March 2002;
- introduction of refined inspection programme to give indication of individual licensee performance by 31 March 2001;
- monitor and review BNFL's programme for emptying its highly active liquid waste (HAL) tanks and increasing its vitrification capacity by 30 April 2002;
- closing out findings of team inspections into Sellafield control and supervision by 31 December 2002;
- to complete assessment of the *Pre-construction Safety Report for the Dounreay Sodium and Potassium Disposal Plant* by 31 December 2002;

Progress was further delayed by the Secretary of State's proposal to create a Liabilities Management Authority.

Subsequent to the relicensing of Aldermaston and Burghfield on 1 April 2000, a report on the performance of AWE plc (*Relicensing the atomic weapons establishment sites to AWE plc*) was issued in June 2001.

HSE's view on this was published through an Addendum (published August 2001), to its February 2000 report.

A report closing out the Dounreay audit report was published in January 2002 and is available on the HSE website at <http://www.hse.gov.uk/nsd/auditfin.pdf>. This covers progress made in addressing the 143 recommendations and sets out key elements of the restoration plan.

The first phase of an integrated enforcement strategy was completed on target for 1 April 2002.

Quarterly review meetings are being held with BNFL and monthly data is being obtained to enable HSE monitoring of compliance with a Specification issued in February. The next major review in the first quarter of 2002/03 will be the first of the declared biannual reviews. The focus is now on obtaining improved operational control by BNFL. The continued unavailability of full vitrification capacity has resulted in BNFL bringing forward planned shutdowns of reprocessing in order not to breach the Specification.

Work is on target. The need for additional work has been identified and a review is being undertaken with BNFL to establish if the 31 December 2002 target is still realistic.

This work is ongoing as HSE is currently awaiting some support documents from UKAEA. UKAEA expect to reapply for the Licence Instrument for active

- the active commissioning of the Trident nuclear submarine facilities at Devonport by 31 March 2002; and
- agreed criteria in place to allow permissioning to commence the delicensing of all, or part, of Rosyth Dockyard by 31 March 2004.

commissioning of the plant in August 2002; completion will now slip into early 2003 but is dependant on UKAEA submission dates.

The first of the active commissioning agreements was issued to programme in February 2002.

Discussions are ongoing with MoD stakeholders and the licensee. No delays are currently anticipated in completing this programme on time.

Other significant activities

A detailed inspection and assessment of BNFL readiness to move into plutonium commissioning of Sellafield Mox Plant was carried out during the year and a final Consent was granted on 19 December 2001.

Following shutdown of Wylfa reactor for over a year to enable modifications to be made to improve safety, clearance of the safety case was achieved and consent was granted for a return to power on 27 July 2001.

HSE carried out an immediate and thorough investigation into an incident at Chapelcross concerning dropped spent fuel. A public report on the investigation published in February 2002 was well received by ministers and special interest groups.

In November 2001, the Government announced its intention to create a Liabilities Management Authority (LMA) covering public sector historic nuclear liabilities. HSE has significant regulatory interests in this and a project team has provided advice and assistance to DTI in drafting the recent White Paper on liabilities management. HSE will continue to provide significant input into the work of the LMA.

Table 15 Selected outputs

	1999/00 outturn	2000/01 outturn	2001/02 plan	2001/02 outturn
Railways 'new' and revised safety cases	-	-	237	132*
Offshore assessment of safety cases	121	184	124 (revised to 166)	232
Nuclear nuclear licence actions	385	298	380	218**
Onshore (chemicals, gas, explosives) assessment of safety cases	185	80	277	28***

* This total does not include the more than 50 safety cases processed but not yet recorded because of the need for further review.

** This is a measure of activity levels rather than an achievement against target as it is largely dependent on external events. The planned figure is an average of the actual number of formal actions under licence issued over the previous three years outturn.

*** Poor quality of COMAH safety reports submitted under the new requirements has led to a high level of rejections (which are not recorded). Requirements have been discussed with the industry and guidance has been published.

SECURING COMPLIANCE

Introduction

1.30 Inspection and other regulatory activity to secure compliance with the law are at the core of HSE's work. HSE has responsibility for securing compliance in over 740 000 establishments and local authorities enforce the HSW Act in around 1 194 000 establishments. During 2001/02, HSE undertook programmes of preventive inspections, investigations of incidents and complaints and formal enforcement work and lead specific campaigns focused on improving compliance.

1.31 HSE secures compliance through a mix of inspections and other regulatory contacts, investigations and formal enforcement work. The table on output and performance at Annex 2 shows the numbers planned and the subsequent outturn for 2001/02. HSE's approach to investigations is based on its published incident investigation criteria. We investigate incidents to learn lessons and influence the law and guidance, to prevent them happening again, and to put gross breaches of legal duty before the courts. Generally we investigate:

- all fatalities arising out of work activities (excluding those relating to road traffic accidents);
- certain RIDDOR-defined major injuries, diseases and dangerous occurrences related to the severity of the outcome;
- all RIDDOR incidents likely to give rise to serious public concern, whether major or minor injuries or dangerous occurrences; and
- all RIDDOR incidents where there is likely to have been a serious breach of health and safety law, whether major or minor injuries or dangerous occurrences.

1.32 The numbers of contacts and inspections include those made under the priority programmes. These include specific, directed contacts and inspections focused on control of the relevant hazards in specific workplaces.

1.33 Much of HSE's work involves inspections and other initiatives to address significant risks within sectors. Some of this work, particularly the development of industry specific guidance and standards and initiatives to reduce incidents and ill health, is done in consultation and partnership with our stakeholders and intermediary organisations. This work will also contribute to achieving the RHS targets.

Table 16 Inspecting high risk premises

Plans for 2001/02

Progress during 2001/02

HSE regards it as critically important to maintain a substantial programme of preventive work. In particular, we will continue to carry out annual preventive inspections of all high-risk premises or category A premises (in 2001/02 there were some 2450 such premises in HSE's Field Operations Directorate's (FOD) rating system). HSE will inspect every category A establishment with the aim of:

- removing them from category A within 2 years by the implementation of improved control measures; or
- where long term action is needed to achieve this compliance (for example, the installation of complex and expensive ventilation systems) taking formal enforcement action to secure this longer term goal within two years.

98% (2400 out of 2450) of category A establishments were inspected in line with the planned outcome. The 100% target was just missed because:

- a number of premises were already subject to separate enforcement action. Although these were not visited as part of the category A programme, they were appropriately dealt with; and
- others were not visited due to F&M disease restrictions. The plan is to visit these in 2002/03.

Table 17 Enforcement policy

Plans for 2001/02

Progress during 2001/02

Consistency in enforcement

Inspectors enforce the law in accordance with HSC's published Enforcement Policy Statement (EPS) and applying the Enforcement Management Model which are available on the HSE website. HSC will:

- publish a revised EPS;
- develop an approach to reviewing and evaluating the revised policy to ensure its continued effectiveness; and
- develop an agreed approach with the HSE/Local Authorities Enforcement Liaison Committee (HELA) to monitor it.

Revised statement published January 2002.

Work is underway to develop an approach to evaluate the statement. Proposals for initial research were sought from the public through the Competition for Ideas (research proposals). Results on evaluation expected in time for the next review of the EPS scheduled for 2006/07.

HELA will be involved in the overall evaluation project.

Table 18 Penalties and prosecutions

Plans for 2001/02

HSE will:

- support legislative efforts, through advice to ministers on the feasibility of innovative penalties to ensure that the courts have the range of powers they need to reflect the seriousness of health and safety offences;
- approach those bodies concerned with training judges and magistrates, and with advising magistrates, to discuss how the messages of *R v F Howe & Son (Engineers) Ltd* can best be conveyed to the courts; and
- identify all the manuals used by judges, magistrates, and magistrates' clerks and make sure their references to health and safety law, offences, penalties and sentencing are up to date and accurate.

Progress during 2001/02

Support has been given to those in Government who lead on sentencing. There have been meetings with the Home Office and others to explore various possibilities, such as corporate sentencing. Evaluation of the EPS will also provide an indication of the effectiveness of the current powers.

In May 2001 the Magistrates Association issued guidance on factors to consider when sentencing companies for health and safety offences, assisted by information from HSE. Further discussions have since taken place with organisations with a role in advising magistrates, in order to establish what more can be done to provide information to assist in decisions in health and safety cases.

This work will be taken forward during the next two years.

Table 19 Investigation of incidents

Plans for 2001/02

HSC is developing proposals to introduce a specific duty on employers to investigate reportable incidents, dangerous occurrences and diseases. Subject to the outcome of formal consultation we will submit new regulations to ministers, to come into force in late 2001/02.

HSC will also start work on the fundamental review of RIDDOR with a view to simplifying reporting procedures and to making the whole system more efficient and effective. We will carry out research and issue a discussion document in 2001/02.

Progress during 2001/02

Consultation on the proposals ended in September 2001. HSE is still analysing the substantial response to consultation.

Other high priority work has delayed the start of this project. However, preparations are in hand for the research.

An Incident Contact Centre for receiving incident reports is to be launched in April 2001. The contact centre will receive reports both for HSE enforced sectors and also the LA sector.

The Incident Contact Centre was launched on 1 April 2001. Work-related accidents, diseases and dangerous occurrences can now be reported in a variety of ways, by telephone, fax, via an interactive form on the RIDDOR website (<http://www.riddor.gov.uk/>), by email (as an attachment), or by post. The new procedure has made reporting easier and there has been a shift towards using electronic reporting.

Table 20 Key actions in industry sectors

Plans for 2001/02

Progress during 2001/02

Railways

We will secure compliance through a substantial programme of targeted inspections, investigations and enforcement activity, and increased monitoring of and compliance with railway safety cases by:

- carrying out 2550 targeted and prioritised inspections, including follow up visits;
- carrying out 1380 contacts in connection with the investigation of 450 RIDDOR events and 335 complaints;
- carrying out 230 contacts in connection with enforcement, leading to an estimated 48 notices and ten prosecutions; and

HSE carried out 2747 targeted and prioritised inspections in 2001/02.

HSE carried out 1673 RIDDOR investigations and investigated 335 complaints out of 366 complaints received.

During 2001/02, HSE carried out 347 enforcement contacts (over 150% above planned profile), issued 130 enforcement notices, including 25 prohibition notices (271% of profile) and carried out 25 prosecutions (208% of profile). HSE also carried out 2717 planned inspections (91% of profile), 1670 investigation visits (120% of profile) and 347 enforcement visits (161% of profile). There were a total of 15 prosecution cases heard in 2001/02. Eight of the enforcement notices issued related to SPADs and signalling issues. This heightened activity reflects HSE's response to views expressed by HSE's Director General at Lord Cullen's Inquiry that more action is necessary to ensure that commitments by dutyholders are implemented. The number of SPADs is continuing to decrease, the total number in 2001/02 was 437, an 8% decrease

- introducing and assimilating new inspectors for safety case work.

over the previous year and the lowest 12 month total for several years.

There was a substantial decrease in the number of broken rails during 2001/02: 534 reported by Railtrack via RIDDOR to HSE, a 24% decrease on 2000/01 and a 42% decrease on 1999/00. The reduction is due to a combination of a number of factors, two which are particularly significant are:

- the increased re-railing programme which took place post Hatfield in October 2000 that substantially addressed gauge corner cracking; and
- the installation (as part of a series of rail management measures by Railtrack) of wheel impact load detectors (WILDs) at additional strategic locations across the network to identify and eliminate high wheel impact loads from rail vehicles.

London Underground Limited's (LUL's) rail breaks for 2001/02 were 25, seven more than in 2000/01. HSE is continuing to monitor the situation.

HSE made a net increase of ten new inspectors during 2001/02, six of whom it recruited for safety case work. 27 new inspectors were recruited during the year, four as a result of an external recruitment drive and 23 from other sources. 17 inspectors left during the year, 10 to jobs elsewhere in HSE or other organisations, 7 retired.

Offshore

We will carry out a three year programme to raise the profile of occupational health and reduce the incidence of ill health in the offshore industry, through raising awareness, helping industry to establish baselines, securing compliance with regulations, and targeting occupational health issues during inspections. HSE will achieve this by:

- taking forward the outcomes of a major offshore conference in March 2001 and the OIAC workshop in January 2001; and

The outcomes of the major offshore conference in 2001 have been taken forward on a number of fronts including:

- issuing guidance to inspectors to help target occupational health issues during inspection;
- continuing a three year programme on lifting operations, a major cause of incidents in the offshore industry, which was started in November 2000. This includes: investigation of reportable lifting/mechanical handling incidents; inspection of lifting equipment and lifting operations offshore; raising awareness; and development of a database of lifting equipment (particularly cranes) in use on offshore installations;
- carrying out inspections against inshore and inland Approved Codes of Practice (ACOPs)(inland/inshore ACOP, recreational diving ACOP, media diving ACOP, scientific and archeological ACOP, police diving (joint police/HSE) ACOP).

- benchmarking of noise levels to allow inspectors to make judgments on '*as low as reasonably practicable*' (ALARP);
- approaches to HAVs and low specific activity scale (mildly radioactive scale left in pipes and tanks leaving certain wells) have been promoted to industry;
- working with industry *Step Change* initiative to set up a system to collect ill health data. (*Step Change* is the offshore industries' initiative to promote improvements in safety, including the championing of the HSC RHS targets.)

Technical guidance has been published.

Programme of visits to all major offshore drilling contractors completed.

Contributed to industry-led guidance.

All lifting DOs and reportable accidents continue to be analysed for root causes. Initial findings identify human factors as the dominant root cause. A report will be prepared at the end of the project.

First year programme of inspections completed.

Project team to review progress at the end of the first year (February 2002).

Inspection programme is on track. Royal Navy had two fatal diving accidents during the year with a further five recreational 'at work' fatalities. All cases of decompression illness (DCI) have been investigated. Over 100 inspection contacts were recorded against individual recreational diving instructors and training centres.

Explosives

We will carry out a three-year programme to reduce the levels of occupational asthma in the explosives industry (this links to a HSE-wide initiative). We will do this by:

- carrying out a survey to identify sites which handle problem substances;
- quantifying baselines using questionnaires to all licensed explosives sites;
- establishing benchmarks for good practice and developing a quantitative method for rating performance;
- reviewing current protective strategies, inspection systems, testing and maintenance, and health surveillance;
- assessing findings against benchmarks and identify remedial action;
- developing and agreeing action plans with occupiers; and
- monitoring implementation of action plans.

A postal survey of all licenced factory sites identified priorities for inspection.

After discussions with HSE's Employment Medical Advisory Service (EMAS), the difficulties of obtaining good quality baseline ill health data from questionnaires was brought to light. HSE will therefore not pursue this activity.

An information pack was provided for inspectors with details of the Control of Substances Hazardous to Health Regulations 1999 (COSHH) requirements, products likely to be encountered, suitable control measures and a scoring system which permitted a quantitative rating of performance and will allow year on year comparison.

Inspection visits were made to 12 sites identified from the survey and the protective strategies for asthmagens were assessed.

The benchmark information packs and the scoring system were used only to identify areas of deficiency. The most common problem found was the relatively poor quality of COSHH assessments.

Action plans were agreed with employers to deal with the areas of deficiency.

To be carried out in 2002/03.

Gas supply industry

Following an audit of a major gas distributor, a number of occupational health problems were identified including HAV. Around 440 cases of HAV were identified over a 15 month period from the beginning of 1999. Over next three years HSE will:

- develop baselines and use this to monitor effectiveness of HAV management and reduction measures;

HSE's HAV initiative with the distributor is complete apart from monitoring planned in the next work year. The distributor's response, and its own

- continue to monitor these initiatives and review progress, including sample verification visits; and
- subject to the effectiveness of these initiatives, we will consider extending HSE intervention to other public gas transporters and utilities.

initiative, has been excellent.

HSE has not imposed any further targets on the distributor. Their own management and implementation of data gathering, analysis, improved the situation for existing employees.

The full report of the inspection initiative was issued in January 2002. It concluded that the plan should be moved forward and monitoring continued in 2002/03 and 2003/04.

Quarries

Quarrying is a dangerous industry with a fatal injury rate even greater than that of construction.

HSE, working with the industry's key stakeholders including trade associations, trades unions, the national training organisation and major companies, has developed a 'balanced strategy' to attack the causes of on-site incidents and so contribute to the national target. Interventions are planned in three areas of quarrying operations:

- key groups of people and processes;
- education and training; and
- advice and enforcement.

The quarry industry agreed a 'hard target' initiative to reduce incidents by 50% by 2005. In the first two years of the initiative total incidents have fallen by 26%. Work to achieve the target concentrates on competence, involves all who work in quarries, and addresses the priority topics of transport and falls from height, as well as geotechnical aspects. It has included:

- signing a partnership between unions, professional bodies, directors and HSC;
- worker participation training for all those working at quarries;
- free industry guidance and a best practice CD ROM;
- health and safety curriculum for universities; and
- contractor passport scheme.

Other work included a special initiative on tips and excavations to check compliance with the excavation and tip requirements of the Quarry Regulations 1999. Management deficiencies in this area resulted in two of the three fatalities this year;

another tip/excavation failure blocked the A5 road, although no one was injured. Early indications are that:

- this issue is not being satisfactorily addressed by the industry;
- appraisals/rules for tips and excavations were inadequate in 50% of the cases examined;
- managing tips and excavations still requires improvement.

Mines

New Regulations on the control of inhalable dust are being drafted. The need for this work was underlined by the finding of a small number of fresh cases of category 2 pneumoconiosis and two cases of progressive massive fibrosis (PMF the most serious form of pneumoconiosis) during periodic medical examinations of working miners. This follows almost 25 years' decline in the disease following the introduction of the Coal Mines (Respirable Dust) Regulations 1975. It had generally been believed that the most serious forms of the disease had been eradicated. An extensive investigation by the Mines Inspectorate concluded that a number of factors were involved in the re-emergence of the disease. Three key factors were:

- the growth in the number of contractors employed in the industry, especially in the areas of work where there is the greatest exposure to inhalable coalmine dust;
- changes in working patterns which mean that the number of hours spent at coalface (or development work) have substantially increased;
- falling rates of attendance at medical examinations – which may, ironically, reflect the dramatic fall in the prevalence of the disease achieved over the previous decades.

HSE will:

- carry out a programme aimed at securing improvements in advance of the implementation of the new Regulations;

HSE is working with the industry, to revise the law on controlling inhalable dust to take account of the issues raised by this investigation. Control of respirable dust discussed with all stakeholders at MI's employer/employee health and safety meetings and with individual unions. Trials have begun at some large coalmines with a novel form of micro-droplet spray in an attempt to reduce intake contamination. Work on the Regulations continues and HSE expects to publish a CD in summer 2003/04.

- investigate all notifications under the current Regulations and work with stakeholders to resolve deficiencies and share good working practices.

All adverse dust notifications were investigated. Inspectors have investigated instances where dust levels have been at less than the notifiable level but were, nevertheless, elevated. This will continue and has raised awareness of dust control issues at mines. The number of notices increased from five to six which, on these low numbers, is not statistically significant. Encouragingly, there were no notifications in the final quarter of the year.

Docks

Despite improvements over recent years, the dock industry remains one of the most dangerous in the UK. We will continue our programme of targeting the control and management of cargo handling contractors and their subcontractors whenever we visit ports. Industry specific targets to achieve the RHS targets were set in agreement with stakeholders in May 2001. Work on baselines and gathering data on incidence of ill health and working days lost commenced in April 2001. The docks industry has agreed targets to reduce the incidence rates of fatal and major incidents by 10% and over-3-day reportable incidents by 20% by 2005. The baseline will be year 2000. The delay in setting the target was caused by the establishment of the new organisation Port Skills and Safety (PSS), which took over the responsibilities for safety and training in the docks industry from the former Port Safety Organisation and British Ports Industry Training. The establishment of PSS, which involves much greater input from directors and senior management in the industry, will enable the industry to meet its long term 2010 targets more effectively. Over the next three years areas of work will include:

- work on board ships – PSS estimates that over a third of dock accidents occur on ships, HSE will work to address this (in co-operation with the Maritime and Coastguard Agency (MCA));
- provision of clearer guidance to assist those with responsibility for dock safety;
- management of dock operations –
 - control of contractors, users and their labour providers;
 - the training of (non permanent) cargo handling workers;

Joint visits with inspectors from the MCA made to see work on ships in port.

Good progress was made on revising the ACOP *Safety in Docks and the Docks Regulations 1988*, as well as on developing the new *Dangerous Goods in Harbours Regulations*. Guidance has been prepared on health and safety management in docks and is being discussed with the industry. It will be published in autumn 2002.

General control and organisation of workplace transport safety at docks were examined at visits.

Muscular strain injuries were analysed in order to provide inspectors with detailed, task related information on injury causation.

At further visits, inspectors targeted a variety of

- implementation of the docks industry passport scheme;
- cargo handling - this is the main source of incidents in ports, we will concentrate on major lifts of cargoes eg timber and steel.

issues including:

- arrangements for planning and executing dock operations;
- the provision of information, instruction and training for employees;
- falls from height risk from container top working, and occupational asthma;
- the control and management of cargo handling contractors and their sub-contractors.

A 'passport scheme' enabling both non-permanently employed dockworkers and dock employers to confirm competence levels, has been introduced into several major ports, with HSE's assistance and encouragement. We are working with PSS to promote the extension of the scheme throughout the industry.

Table 21 Activities on cross-sector hazards

Activities for 2001/02

Progress during 2001/02

Noise

An estimated 1.3 million workers are exposed to noise levels that could damage their hearing. 170 000 people suffer from noise-induced deafness or other hearing faults. HSE will:

- ensure compliance with the Noise at Work Regulations; and with the Construction (Design and Management) Regulations for high risk activities;
- make 150 contacts at woodworking premises, 212 at construction, 500 at engineering and utilities, and 134 at polymers and fibres premises.

See sector contacts, activities and enforcement below.

HSE's planned programme of visits for this hazard was achieved. The visits concentrated on ensuring that:

- employers had adequate noise assessments;
- where no controls were available, that

employees were not put at risk while controls were put in place;

- obvious defects in controls were remedied; and
- employers had an action plan to reduce exposure other than by relying on personal ear protectors.

The visits resulted in high levels of enforcement - a notice under the Noise at Work Regulations 1989 being served at one in every four visits. Almost 75% of notices required an assessment to be made.

Asbestos

Asbestos related diseases continue to give rise to the most deaths from work-related disease. There were over 1500 deaths from mesothelioma in 1998.

Asbestos management in buildings:

HSC will consult on the introduction of a new regulation, in the Control of Asbestos at Work Regulations 1987 (CAW Regulations), to require the proper management of asbestos in buildings (a 'duty to manage'). A three to five year strategy will commence in May 2001. LAs will play an integral part in this campaign.

In year one HSE will raise awareness of the duty through conferences, workshops etc, including an official launch.

HSE will carry out comprehensive research in spring 2001 to establish baseline figures; and an independent evaluation will be conducted at the end of three years to measure impact on attitudes and practices.

Consultation on second CD completed February 2002. Revised CAW Regulations and Approved Code of Practice (ACOP) are being drafted.

In October 2001, HSE began a programme of seminars and roadshows with intermediaries to highlight the new Regulations. Several hundred intermediaries signed up during the year to deliver workshop material prepared by HSE.

A baseline research programme was completed in 2001 to assess the level of awareness and compliance with good management policies. Our findings revealed that there are poor knowledge levels of compliance. Further investigation and action will be undertaken in 2002/03.

Other significant activities

Input to development of supporting accreditation and personal certification schemes for asbestos

surveyors with a view to schemes being well developed by March 2002.

Pilot accreditation scheme was launched on 3 December 2001. 35 organisations are now accredited.

Individual certification of surveyors: potential certification bodies are currently working with HSE to prepare a certification standard prior to seeking UKAS approval.

Inspection of asbestos stripping: Many deaths have arisen from exposure sustained during work many years ago. But there remains concern about the activities of repair and removal contractors exposing other people not involved in the work. HSE will carry out a programme of work to secure a national minimum commitment to the inspection of licensed work with asbestos insulation, asbestos coating and asbestos insulation board (AIB). In 2001/02 the national target is 1052 visits. This figure will be reviewed in subsequent years in the light of developments. We will:

- continue to give inspection priority to work where uncontrolled dry stripping is planned, work in hot environments, and where the use of power tools is planned;
- give priority to new licence holders, licensees whose licence expires within next four-six months and have not been inspected in previous 12 months, and licensees who have been sent a warning letter by Asbestos Licensing Unit (ALU) or whose performance has been unsatisfactory; and
- target 20% of visits to sites where notifications of work with AIB have been received.

92% of the planned visits were made;

Where uncontrolled dry stripping, work in hot environments, or the use of power tools was planned, firm action was taken to prevent the work taking place or continuing. One incident of uncontrolled dry stripping is subject to prosecution action; a potential further incident was dealt with at the planning stage.

132 visits were made to new licence holders, licensees whose licence expires within next four-six months and who have not been inspected in the previous 12 months, and unsatisfactorily performing licensees.

The target for visits to sites working with AIB was exceeded by 250%.

Enforcement action included 150 notices on asbestos-related work (40 notices served against licence holders) and 44 convictions on asbestos-related offences.

HSE's ALU has adopted new processes to continue to ensure that licence assessment is carried out thoroughly and consistently.

During the year:

- 51 licence applicants were conditionally refused a licence (30 of these have not been deemed competent since);
- seven licensees had their licence conditions amended;
- 11 'three year' licences were reduced to 'one year'; and
- 37 licensees were sent warning letters and put in the 'priority visit contractor' category.

Hazardous substances

HSE will roll forward a programme to address health and safety standards at cleaning stations where road tankers and tank containers are cleaned to remove residues of hazardous cargoes. Visits have been made to member companies of the National Road Tanker Cleaners Association (NRTCA) to set standards of compliance, and a resource pack has been developed for inspectors. In 2001/02 HSE will:

- inspect remaining members and non-members of the NRTCA, some of which are SMEs, and make central approaches to multi-site concerns (total 41 visits);

Phase 1 (2000/01) of programme completed - 11 site visits to NRTCA members out of 11 planned.

Rethink of project revised the number of visits planned for 2001/02 from 41 to 24. Seven visits completed to date, remainder to be completed by the end of 2002. Visits seek to ensure:

- COSHH assessments in place;
- appropriate equipment and procedures for control;
- safe systems of work for confined spaces;
- training for tanker bay operators provided; and
- four further visits completed, 20 planned for

- liaise with the NRTCA and discuss any deficiencies found; and
- revise and reissue joint HSE/NRTCA guidance.

completion in 2002/03.

Presentation made to NRTCA on finding of Phase 1.

Revised HSE circular issued in January.

Hand-arm vibration (HAV)

Research data in 1997/98 showed nearly five million people are exposed to hand-transmitted vibrations in a one-week period, of which over 1 200 000 were exposed in excess of recommended action levels; nearly 800 000 people showed symptoms of vibration white finger.

Over the next three years, initiatives will be undertaken focusing on portable powered hand tools, targeted at foundries, motor vehicle repair (MVR) body shops, metal fabrication workshops, manufacturers of transport equipment, construction, road and poleworks for telecommunications and stonemasons. Other work will include:

- guidance on required vibration emission data from suppliers of portable powered hand tools;
- visits to manufacturers/suppliers of tools;
- a programme of visits to users of tools over next three years - 588 visits in year one (with the majority of these visits being paid to engineering premises where noise will also be examined);
- visits to ten telecommunications companies' headquarters to discuss proposals to reduce risks from roadbreaking tools;

Suppliers' duties publicised through guidance; national, European and international standards work and presentations to the most relevant trade associations.

Inspections of suppliers of hand held power tools confirmed that vibration information was lacking for some of the product range at all companies. Most of those contacted readily accepted advice for improvement.

The provision of supporting information with selected powered hand tools examined where vibration continues to present risk despite manufacturers' design and secondary control efforts. More than 23 major manufacturers, importers, and hire companies have been informed of HSE's expectations through standards work and presentations to trade associations. Hire companies have responded well both as purchasers (with commercial pressure on manufacturers and importers) and as suppliers in their own right.

The programme of visits has begun and will continue in years two and three. HAV is now an HSE priority.

Agreed with the telecommunications company making the most extensive use of roadbreaking tools that the tools presenting greatest risks should

- guidance on required action by the telecommunications industry regarding introduction of reduced vibration roadbreaking tools;
- at least 84 targeted inspections to designers, specifiers and portable powered hand tool users in construction;
- guidance for the foundries on methods of reducing vibration; and
- targeted work to reduce risks from HAVs in the gas supply industry.

be removed from use.

Work to be taken forward in next two years.

Visits in the construction industry exceeded plan and revealed that HAV risk in specific construction processes was eliminated by design in around 60% of cases overall, increasing to 70% for pile head removal.

Guidance on HAV in foundries has been published through the Foundries IAC.

A HAVs initiative with a major distributor is complete apart from planned monitoring in the next work year. The distributor's response, and its own initiative, has been excellent. Its management and implementation of data gathering and analysis improved the situation for existing employees.

Asthma

1500-3000 people develop occupational asthma each year and an estimated 150 000 people suffer from asthma symptoms caused by work. Over the three-year period we will develop and carry out a detailed programme of work, which is likely to include enforcement activity; inspection programmes; increased health surveillance; investigation of all cases of ill health and complaints; publicity campaign; and seminars for managers, safety representatives, occupational health professionals and medical practitioners. We will achieve this by:

- 290 visits in year one to engineering premises to ensure adequate control of risks for specific substances and processes;
- 140 visits in year one to woodworking premises to ensure adequate standards of dust control and appropriate health surveillance;

Enforcement activity and inspection programmes included a substantial number of visits (112% of planned figure) in the motor vehicle repair trade to ensure that respiratory sensitisation risks from exposure to isocyanates in two-pack spray paints were properly controlled. Enforcement action was taken where appropriate, and included notices requiring health surveillance and effective local exhaust ventilation.

In the wood industry, several hundred site contacts were made and enforcement action taken on asthma-related issues at over 100 contacts.

- measures to help meet the RHS targets, including reduction of exposure to respiratory sensitisers, improving the level and quality of health surveillance, and securing compliance with specific requirements of the Control of Substances Hazardous to Health Regulations 1999 (COSHH) and ACOP;
- evaluation of achievements by sectors, and previous investigations and cases studies;
- development of proposals to target priorities in the local authority sector and small and medium sized enterprises (SMEs); and
- develop a publicity campaign in conjunction with DOH.

Asthma was discussed with over 600 wood industry dutyholders at safety awareness days.

In year one, HSE has worked to secure greater compliance with the current COSHH Regulations. The substantial number of visits and enforcement activities to engineering premises (described above) has concentrated on respiratory sensitisation risks.

New COSHH Regulations and ACOP are expected to come into force in autumn 2002 and HSE will be working to secure compliance as part of its normal inspection programme.

Evaluation of the need for further work resulted in occupational asthma continuing as an operational priority into 2002/03.

Work in the year concentrated on developing a programme of work for following years within FOD's priority for occupational asthma. This work will be taken forward during the next two years.

This work will be taken forward during the next two years.

Hazardous biological agents

In relation to hazardous biological agents and biotechnology, including genetically modified organisms under the COSHH Regulations and the Genetically Modified Organisms (Controlled Use) Regulations, we will:

- undertake formal enforcement (dangerous pathogens (DPs) and genetically modified organisms (GMOs)) including court activity associated with primary inspection;
- investigate accident/incident (DPs and GMOs) to support primary inspection programmes and gather intelligence, etc;

We successfully completed the prosecution of Imperial College. The college was found guilty in the High Court of failing to protect the health and safety of workers. Two improvement notices were served for failing to adequately control exposure to GMOs (Class 3). The college was fined £40 000 plus costs.

We successfully completed the prosecution of St Georges Hospital Medical School, London for carrying out research with Hazard Group 3 biological agents in an unsealed laboratory.

- implement new amendments to the Genetically Modified Organisms Contained Use Regulations 2000.

Events of 11 September 2001 resulted in: the withdrawal of Public Registers; implementation of new Regulations; and reinstatement of a modified Public Register.

Table 22 Local authorities

Plans for 2001/02

Progress during 2001/02

The work of more than 400 LAs in England, Scotland and Wales to enforce health and safety legislation is influenced and co-ordinated by HSE and HELA. Each year, HELA produces a Strategic Plan to guide LAs' enforcement activities and to ensure a consistent approach among LAs and between HSE and LAs. The HELA strategy reflects the HSC's strategic priorities and is supplemented by detailed operational guidance to promote the adoption of common objectives and work in partnership with HSE.

A full report of the contribution of LAs to HSC's and HELA's Strategic Plans is contained in the HELA Annual Report and the National Picture of Health and Safety in the Local Authority Enforced Sectors. Current publications relate to 2001. The reports for 2002 are expected to be published in early November. Full details of HELA's work can be found on the HELA pages of HSE's website at <http://www.hse.gov.uk/lau/>.

The number of workers in the LA enforced sectors is increasing and the role of LAs will continue to grow in importance. They have a major role to play in reducing incidents and ill health and the key to achieving these is for LAs to work together better to improve compliance, encourage consistency and promote best practice.

In 2001/02, a HSE/LA Forum was established to underpin the role of LAs in delivering RHS targets in their capacity as employers. To underpin the work planned, efforts are being made to influence key players at official level. The HSC Chair has recently written to all LA chief executives to reinforce the business case for health and safety management, and to gain commitment to the RHS targets.

The synergy programme

This is a programme of work agreed by HSE and LAs to maximise their collective influence on the health and safety system through an improved partnership and new ways of working. It will result in a policy framework for determining allocation arrangements between HSE and LAs and improved operational arrangements in the field; improved strategic arrangements between LAs, business and trade unions; improved targeting of LA enforcement effort with fewer interventions in lower risk premises and more in higher risk premises; and improved health and safety in premises currently not registered by HSE or LAs. The programme comprises four main projects:

- mapping of existing enforcement allocation to develop a targeted and proportionate approach to enforcement across the risk continuum (completed 2000);

For selected sectors and businesses, where HSE and LAs have a joint enforcement role, the two enforcing authorities have worked closely together to fully engage employers, employees and their

- enforcement of health and safety in Royal Mail to promote greater policy and operational coherence; enforcement information will be put on a website by April 2001 and evaluation will be carried out by June 2002;
- enforcement of health and safety in dry cleaning premises in Scotland to develop practical, strategic and operational management structures, all premises will be inspected by July 2001 and evaluation completed by 2002; and
- involvement of LAs in the Motor Vehicle Repair (MVR) Forum and the identification of non-registered MVR premises to develop strategic approaches to LA enforcement; evaluation of MVR Forum and inspection of MVR premises in Greater Manchester by end 2001.

representatives.

Health and Safety Commissioner Joyce Edmond-Smith and David Eves (the then Deputy Director General of HSE) attended an event in October 2001 to launch the Royal Mail website designed to provide health and safety information and operational guidance to assist enforcement liaison officers (ELOs) in their work with Royal Mail.

The dry cleaning project in Scotland identified many new premises that had previously not received an inspection or advice/guidance from HSE. Inspection of all such premises was completed, in accordance with HSC's Enforcement Policy Statement (EPS) and informed by intelligence from the HSE sector.

The MVR forum has fully incorporated LA input.

Review of LAs' priority planning system, implementation of incident investigation criteria and the Enforcement Management Model

HSE and LAs working through HELA will develop an effective regime of risk rating for LAs to prioritise inspection planning that is consistent with HSE's system; develop common criteria for the effective management of LAs' incident investigation processes and their enforcement decision-making processes. It is our longer term objective to implement the Enforcement Management Model in all LAs:

Priority planning: research to be completed February 2001, establish model June 2001, test model in LAs July 2001, draft guidance November 2001, and new system introduced April 2002.

New priority planning guidance has been developed. LAs are currently piloting a topic-based inspection approach, which focuses on the HSC priorities. Introduction of the revised priority planning system has been delayed to accommodate the findings of the topic-based inspection pilot. There will be a calibration year during 2002 before final implementation of the new priority planning guidance in April 2003. The new priority planning guidance will accommodate topic-based inspection

Incident investigation criteria: assemble criteria by January 2001; publish instructions for LAs April 2001, and calibration phase/revise Local Authority Circular April 2002.

Enforcement Management Model (EMM): scoping study March 2001, establish benchmarks and test model June 2001, calibration phase to April 2002, and HSE support for full implementation April 2002 onward.

and, with the accident investigation criteria and procedures, will help to deliver more targeted and proportionate enforcement.

The HSE's investigation criteria have informed the development of LA incident investigation criteria and procedures. An accident investigation procedure to supplement the investigation criteria guidance is being developed. The investigation procedures guidance will be issued to all LAs by November 2002.

The HSE's EMM is being adapted for use by LAs. The LA version will take account of HSC's revised EPS and will be piloted in a number of LAs. A training package has also been developed.

Planned calibration is on schedule for 2002 to deal with any anomalies before final implementation in April 2003.

The EMM will help to promote consistency of enforcement both in, and between, HSE and LAs.

Review of HSC's section 18 guidance and implementation of HELA's protocol for inter-authority auditing

Under section 18 of the HSW Act, the HSC can issue mandatory guidance to LAs that directs the way in which they enforce the Act and related legislation. A review of this guidance is essential to assist HSC to set and monitor performance indicators in the LA enforced sector. In particular, to formalise the HELA protocol for inter-authority auditing against an agreed indicator to measure the performance of LA enforcement and promotional activity.

- HSE will work closely with DTLR and the Cabinet Office to develop an effective performance indicator for LA enforcement activity and promotional work. We will review the effectiveness of the audit protocol at the end of 2001. This will take account of revisions to HSC's section 18 guidance, the views of LAs who have used the protocol, other government policies, such as best value, food safety law and the proposed Safety Bill, and the views of stakeholders; and

The HSC issued revised section 18 HSW Act guidance in September 2001 to outline the broad principles that it wants LAs to adopt in enforcing health and safety legislation. In the light of the revised guidance, HELA revised its audit protocol for the management of LAs' health and safety enforcement. The guidance is available on the HSE/LAU website, which is providing speedier and more timely communications with LAs. The revised guidance contains two new requirements on LAs:

- LAs will undergo at least one inter-authority audit every five years. The performance monitoring regime will provide improved data for HSC on performance by LAs and an opportunity to better target guidance and support.

- LAs are required to produce a health and safety service plan that should make specific reference to their implementation of the HELA and HSC strategies plans;
- the revised audit protocol is supported by guidance to LAs in the form of a local authority circular (LAC) on auditing and the development of the audit action plans. The LAC outlines the role of the HSC in monitoring performance of LAs more closely and the implementation of a performance indicator for LA enforcement and promotional work as recommended in action point 27 of RHS. The indicator has been set as full compliance with HSC's section 18 guidance. Together with the HELA audit protocol and HSC's section 18 guidance, the performance indicator forms part of the LA performance management framework.

HELA is using the RHS performance indicator to measure the LAs' compliance with its section 18 guidance. Baseline evaluation data has been developed and this will provide a benchmark against which improvement in LAs' health and safety enforcement may be measured. Since the implementation of the LA performance management framework in January 2002, there have been improvements in the standard of health and safety enforcement by LAs. Ten audits of LAs have been carried out. All of the audited LAs have developed action plans to secure compliance with their statutory health and safety enforcement requirements. A number of LAs have secured additional resources to achieve compliance with the statutory duties.

Table 23 Selected outputs

	2001/02	2001/02	2002/03	2003/04
	Plan	Outturn	Plan	Plan
Total regulatory contacts	200 000	195 695	206 000	213 000
Of which FOD contacts	179 000	169 001	188 000	193 000
Total inspections	81 000	75 237	86 000	90 000
Of which FOD inspections	70 000	65 000	75 000	78 000
Total of incidents and complaints investigated	41 000	37 855	41 500	42 000
Number of RIDDOR incidents investigated	17 000	13 421	17 500	18 000
% of reported incidents investigated	10	8.6	10.5	10.6
Number of complaints investigated	24 000	24 434	24 000	24 000
% of complaints investigated	83	87.2	87	92
Total enforcement notices issued (e)*	10 900	11 162	11 200	11 400
Total prosecutions (informations laid) (e)*	2 000	1 930	2 000	2 100

*(e) estimate

Regulatory contacts:

The number of regulatory contacts is some 4300 below the target of 200 000. This is due to a shortfall in FOD because:

- foot and mouth disease meant that very few visits to farms were possible for most of the year and most agricultural shows, as well as safety awareness days (SADs) and blitzes, were cancelled; and
- more complex investigations were carried out, each taking longer (due, for example, to the higher profile of health and safety issues, the need to spend more time with relatives of the deceased and, in particular, the need to comply with new investigation procedures).

Investigations:

The number of investigations is below original estimates, because

- the number of reported incidents/events was almost 14 000 below estimates; and
- HSE's new incident selection criteria, which were 'bedding in' in 2001/02, selected fewer incidents for investigation than expected. It was estimated at the start of the year that the criteria might result in around 10% of the expected 155 000 reported incidents being selected for investigation by FOD, ie 15 500. In the event, only 143 211 incidents were reported; with 12 021 being investigated.

MANDATORY ACTIVITIES

Introduction

1.34 Over 2001/02 HSE planned to deliver a range of policy, technical and information activities to meet the mandate given by statute and government. These included activities to:

- modernise and simplify the regulatory framework;
- provide appropriate information and advice;
- promote risk assessment and technical knowledge; and
- operate statutory schemes.

Table 24 Work to modernise and simplify the regulatory framework

Activities for 2001/02

Progress during 2001/02

Long term policy programmes

Safety Bill

HSE will provide contributions to DTLR in the preparation of the proposed new primary legislation dealing with safety and transport.

Contributions on a wide range of issues were provided to DTLR.

Revitalising Health and Safety (RHS): Implement and co-ordinate delivery of the strategy

RHS targets, the ten point strategy and 44 action points concentrate attention on driving up health and safety performance to reflect the demands of modern working society. For progress on RHS action points see the RHS homepage on HSE's website <http://www.hse.gov.uk/revitalising>. Programme of work is to:

- develop a strategic approach which identifies priorities for tackling major causes of incidents and ill health;
- ensure baselines, monitoring and programmes of work are set for priority areas; and

HSE's general strategic approach is outlined in the RHS Strategy Statement of June 2000. This is a ten-point plan, which sets the direction for health and safety over the next ten years, and emphasises the importance of promoting better working environments, motivating employers to improve health and safety performance and simplifying over-complicated regulations.

HSE's approach to monitoring progress against the global RHS targets was set out in *Achieving the Revitalising Health and Safety Targets: Statistical Note on Progress Measurement* published in June 2001 <http://www.hse.gov.uk/statistics/statnote.pdf>.

- develop and implement a communications strategy for engaging the commitment and participation of external stakeholders.

Other programmes of work to tackle individual action points include:

- promoting better education in risk concepts;
- effective targeting of those who are at greater than average risk including employees or employers in small firms, or with atypical working patterns or vulnerable groups; and
- continuing work to ensure the effectiveness of enforcement.

A first report on progress, based on provisional data up to 2000/01, has been published at <http://www.hse.gov.uk/statistics/snoct01.pdf>

HSE has been working on a communication/influencing strategy to 'rebrand' health and safety and make it more attractive to our stakeholders. A stakeholder engagement analysis is being developed as part of a delivery plan for the eight priority programmes, to assist achievement of the RHS targets.

See Risk assessment management and Education in Table 26.

See Small firms, New patterns of employment and Vulnerable groups, in this table below.

In January 2002, following extensive consultation, HSC published its revised Enforcement Policy Statement.

Other significant activities

HSE has identified more than 25 sectors which have set targets, many of which go beyond the national ones. More industry sectors have recently set targets, although six of the key industries have yet to do so.

Other government departments (OGDs) have agreed to set their own safety targets.

FOD has moved to its new radical inspection regime focusing heavily on the priorities identified by HSC.

All non-legislative action points contained in the RHS action plan have been completed.

A stakeholder RHS conference was held in May 2002 to discuss progress and raise the profile of RHS.

An RHS evaluation framework has been produced.

HSE issued the second annual *Offences and Penalties Report* in November 2001. An updated database identifying which companies and organisations were convicted of health and safety breaches during 2000/01 is available at <http://www.hse-databases.co.uk/prosecutions/>. The report builds on the success of last year's *Offences and Penalties Report* which aims to create pressure for improvement on those who have failed in their health and safety responsibilities towards workers and the general public, and to deter others.

A revitalising evaluation strategy is progressing to gauge the actual impact of the work on day-to-day life.

Implementing Securing Health Together (SH2)

Work-related ill health affects over 2 million people and is a serious cost to industry, Government and those suffering. SHT sets goals to reduce work-related ill health, help those made ill return to work and to improve opportunities for those suffering ill health or disability to get into work. Programme of work is to:

- support the Partnership Board, the Programme Action Groups and OHAC;
- maintain the SH2 website;
- carry out necessary monitoring and reporting; and
- SH2 will tackle rehabilitation, the provision of occupational health support, gather intelligence on levels of work-related ill health, carry out research, and evaluate the Good Health is Good Business (GHGB) campaign.

The Partnership Board and all the Programme Action Groups are established, and a total of 18 meetings have been held.

The website has been maintained and improved, and attracted approximately 200 000 hits.

Progress generally is reflected on the website, and arrangements are in place to report back to the Partnership Board on progress.

Targets have been set for reductions in work-related stress and musculoskeletal disorders, occupational health support in Great Britain has been mapped, 39 occupation health projects have been identified and published, five items of occupational health research have been published, and an evaluation of GHGB was published in 2000.

Implementation of OHAC's 30 recommendations to improve access to occupational health support is being driven by a project board of stakeholders from inside and outside government. Progress continues to be encouraging, particularly in the areas where the work feeds into broader government priorities, eg rehabilitation and improving employability and productivity.

Publication of the results of the baseline survey has provided a comprehensive picture of the use of occupational health support by employers.

The launch of NHS Plus in England represents a tremendous opportunity to develop and build provision by NHS for small firms in particular.

Conference held, *Staying Fit for Work – how primary care can help*, 2001. Report now available on the internet at
<http://www.signupweb.net/News/stayingfit.pdf>.

Pilot training of trades union safety representatives in body mapping techniques.

Implementation of a strategy to reduce the incidence of occupational asthma

Occupational asthma is a significant ill health problem, 1500 to 3000 people develop occupational asthma each year.

- Projects are proposed under each of the five programmes in SH2 and for 2001/02 a detailed programme of work has been drawn up with stakeholders.

An ACOP on occupational asthma has been developed during the year and will be annexed to a new COSHH ACOP to be published in autumn 2002.

A stakeholder Asthma Project Board has been established to work with HSE to develop and help implement an action plan for tackling occupational asthma, which will be published on the HSE website in autumn 2002.

In partnership with the TUC, training materials on occupational asthma for use in safety representatives training courses have been prepared and were published in May 2002.

Small firms, new patterns of employment and vulnerable groups

There is concern, and in some cases evidence, to indicate that employers and employees in small firms, those with atypical working patterns, young people, the disabled, the socially disadvantaged and others, may be at greater than average risk of injury or ill health while at work. All these groups warrant additional attention to complement measures in place to control risks in particular sectors and from specific hazards. It is also important to ensure that none are disadvantaged by health and safety legislation.

Programme of work:

- manage HSC's Small Firms Strategy to make small firms healthier and safer for those who work in them and others affected by their activities, monitor implementation, and use relevant data to review its effectiveness and sensitivity to the needs of small firms;
- advise ministers on the design of a grant scheme to encourage investment by small firms in better health and safety management;
- explore ways of working with business advice network and local authorities to promote health and safety to small firms and business start-ups;
- extend and develop the Good Neighbour Scheme and work with the new Small Business Service and Local Business Partnerships; and their equivalents in Scotland and Wales, to ensure health and safety in the workplace is recognised as an important part of setting up and running a business, and to engage hard to reach small firms;

Following extensive discussion at HSC, a revised programme of work is being developed to align with priorities in the Strategic Plan 2001-04. HELA has implemented guidance and good practice to LAs on implementing the HSC's strategy in LA enforced sectors. The guidance includes case studies of good LA practice that has been effective at targeting SMEs.

Ministerial agreement to a limited pilot scheme has been secured. The pilot will be launched in selected Business Link regions in the summer of 2002. Recommendations on a national roll-out will subsequently be put to ministers based on the results of the pilot.

HSE have worked with intermediaries to develop tools to help small firms and business start-ups. £535 000 of Treasury funding has been won to develop electronic tools for small business advisers in partnership with the Small Business Service (SBS). The grant scheme pilot will also be run in partnerships with the SBS through the Business Link network.

Three Good Neighbour Forums were held in 2001/02, and over 100 businesses are now on the Good Neighbour database. Following an evaluation of the Good Neighbour Scheme, forums are now more focussed onto a topic/sector of particular interest. HSE has commissioned research into the cultural factors that influence health and safety attitudes and behaviour in small firms. Good working relationships have been developed with the SBS, and HSE is working with them and the Business Link network on the pilot grant scheme and the new tools for small business advisers.

- raise the profile of health and safety for vulnerable groups;
- ensure the needs of vulnerable groups and small firms are embedded in the way HSE works;
- complete development of an electronic version of *COSHH Essentials*, simple, step-by-step guidance for small firms that give practical advice on how to control health risks from the chemicals used in their workplace; and
- develop integrated health, safety and environmental advice on chemical control (invest to save).

HSE has hosted two meetings of representatives of organisations who run health and safety 'passport' schemes, which provide basic awareness and training, with the aim of agreeing minimum standards and encouraging reciprocity between schemes.

Programme managers have been encouraged to consider small firms as part of their work on the priority programmes where appropriate.

Development of a video and workbook to help teachers prepare school students for work experience and work. The package is due to be launched at the beginning of the academic year in September 2002.

During the year, each part of HSE analysed the potential for its work to have an adverse impact upon racial equality and identified actions to make improvements. Subsequently these findings were used to produce HSC/E's joint race equality scheme, published at <http://www.hse.gov.uk/hsc/res.pdf>. Key actions included improved methods for consultation and communication, as well as further research and monitoring to establish a better picture of how our policies affect people from different racial groups.

Development completed. It is available on <http://www.coshh-essentials.org.uk/> free of charge. Further development work is planned to increase the range of chemicals. 11 seminars have been held in conjunction with TGWU to train safety representatives in the use of *COSHH Essentials*. Evaluation study shows that purchasers found the package easy to use.

Progressing well. An HSE/Environment Agency development team has been working on an integrated risk assessment framework (to be published for comment on both websites summer 2002).

Prevention of at-work traffic incidents

A large number of people drive vehicles for work purposes and many employees work on or by the roadside. All are exposed to risks from traffic and estimates suggest that up to a third of road incidents may involve someone who is at work at the time.

Programme of work:

- analyse responses to discussion document on at-work traffic incidents and report recommendations to HSC and ministers;
- manage research programme; and
- prepare an ACOP and guidance.

Plans are on target. HSC sent ministers plans on how it would take forward the Task Group recommendations (May 2002). Plans largely cover research, publicity and guidance.

Transport of dangerous goods

Millions of tonnes of dangerous goods are transported every year on the roads and railways. The legislative framework, based on United Nations (UN) agreements and EC Directives, is being fundamentally reviewed and revised.

Programme of work:

- consult on proposals for regulations to implement Directives amending EC Directives 94/55 and 96/49;
- analyse responses to consultation; and
- produce revised guidance.

A CD was issued September 2001 on proposals for transport of radioactive material by rail that implement in part EC Directive 96/49. This was given priority because it has an earlier implementation deadline than for other requirements. Regulations have since been revised and due to be made in July 2002. Proposals relating to other dangerous goods deferred as a result of a decision that the package should take account of further amending Directives requiring implementation by July 2003.

European work

In Europe and internationally we will continue to play an active and constructive role, negotiating to ensure consistency and proportionality in legislation, and to achieve improvements where these are justified by risk, promoting better standards across Europe in circumstances which will not have unacceptable consequences for UK industry and the legal framework.

In 2001/02 we will seek to:

- focus strategies on better practical implementation of existing law, and

We have issued updated internal guidance to underpin delivery of quality negotiation.

performance across Member States;

- share information and experience with, and learn from, our partners in other Member States and the Applicant Countries via joint working, bilateral contacts and funded projects;
- emphasise the contribution of good health and safety to both competitiveness and employability; and

Vibration Directive: Much of the year has been spent lobbying the European Parliament on the Vibration Directive and negotiating on their proposals. Agreement has only recently been reached between the Parliament and the Council at working level requiring little change to the common position, and this awaits formal ratification and adoption. Implementation plans have had to await agreement but will commence in earnest early 2002/03.

Noise Directive: Much of the year has been spent in extensive lobbying of the European Parliament on the Rapporteur's initial proposals for the amendments to the common position, which the UK felt would have damaged industry across Europe. The lobbying was largely successful with the main unacceptable amendments withdrawn or defeated. By the end of the year the remaining proposals had been submitted to the Council, and it is likely that the conciliation process will last into the Danish Presidency. Work on implementation will only commence once the results of conciliation are known.

In partnership with the Irish Health and Safety Authority, HSE led a twinning project to help the Maltese Government implement and enforce EU occupational health and safety legislation, strengthen their institutions, and with projects on the management of major hazards sites and the implementation of the Seveso II Directive. HSE also contributed to twinning projects, led by the Netherlands Ministry of Labour and Social Affairs, in the Czech Republic and provided expertise to the Polish twinning project managed by France.

HSE arranged high-level bilateral meetings with the relevant ministries and regulatory authorities of Germany, France, and Spain and the European Commission. UK engagement with Europe in the health and safety field is showing benefits, eg in the similarity of the new EU strategy and UK thinking on occupational safety and health, and in our

- take a full part in the work of the international institutions: the European Commission's advisory and labour inspection committees and sub groups; the European Agency; standards-making and liaison bodies on railways, nuclear safety, offshore; and input to the work of the International Labour Organisation (ILO), UN, International Atomic Energy Agency (IAEA), Organisation for Economic Cooperation and Development (OECD) and World Health Organisation (WHO).

actively being sought as partners in twinning activities with Applicant Countries.

HSE has influenced the European Commission through its involvement with the Government Interest Group of their Advisory Committee, and by direct contact; and in the wider European Union through its input into the activities and work programme of the European Agency for Safety and Health at Work, and in twinning work with Applicant States. We co-ordinated briefing for ministers on key legislative dossiers prior to their attendance at Employment and Social Policy Council, ensured that the Parliamentary scrutiny requirements for items under negotiation were met in full; and worked to identify and manage the risks arising from implementation and transposition of Directives. On broader European policy agendas, we contributed to the National Employment Action Plan 2002, and Quality in Work indicators coordinated by the Department for Work and Pensions. We are targeting resources on a selective review of the unratified health and safety Conventions of the International Labour Organisation.

European chemicals review etc

During 2001/02 HSE was involved with negotiations to determine the future direction of EU and international policy on chemicals including:

- developing a globally harmonised system for the classification and labelling of dangerous chemicals;
- EU chemicals review;
- international chemical assessment programmes, including the EU Existing Substances Regulation, OECD programmes, and the Indicative Occupational Exposure Limit Value programme; and

HSE has been one of the key players in the development of an emerging system for classification and labelling. Further development will now take place within UN committees.

HSE contributed to the drafting of European Council conclusions on a Commission EU Chemicals Review White Paper further detailed proposals are awaited.

HSE continue to play a major role in these programmes in which several substances of concern for occupational health have been subject to detailed review.

- continued updating of the Dangerous Substances and Preparations Directives.

Negotiations on the second Indicative Occupational Exposure Limit Values Directive are still on going.

Agreement on changes to the Dangerous Preparations Directive and Safety Data Sheets Directive was reached with substantial UK input aimed at simplifying and clarifying the legislation.

A list of significant European activities is given at Annexes 3 and 4.

Other policy projects

Progress with other policy projects is given below. Further information about the legislative programme is at Annex 3.

Review of gas safety

The final report of the Fundamental Review of Gas Safety included some 47 recommendations. HSE will act to implement those within its remit. We have a target of a 20% reduction over 10 years in fatal gas-related carbon monoxide poisonings.

Two major aspects of reactive work have delayed taking forward these recommendations:

- development of an iron gas mains replacement policy; and
- preparing, in the interests of public safety, an exemption to allow Transco to operate its gas emergency service for a limited period without the need to be CORGI registered in order to maintain the gas emergency service.

The work has been re-scheduled it is anticipated all the review recommendations that are within HSE's remit will be implemented by the end of 2003.

The gas safety programme for 2001/02 includes:

- integration of Accredited Certification Scheme and Scottish/National Vocational Qualification, August 2001;

Proposed milestones for this work are now:

- integration of Scottish/National Vocational Qualification, June 2002;
- streamlining of the Accredited Certification Scheme for Individual Gas Fitting Operatives for both initial and re-assessments for domestic and commercial installation work, July 2003;

- amendment of the Gas Safety (Management) Regulations 1996; draft consultative document April 2001, amended Regulations in force September 2001;
- changes to CORGI's operating criteria, September 2001;
- amendment of the Gas Safety (Installation and Use) Regulations 1998 and associated ACOP and guidance, draft consultative document March 2001 and amended Regulations in force December 2001;
- revision of ACOP Standards of training for safe gas installation, draft consultative document April 2001 and ACOP in force January 2002;
- development of a HSC Gas Safety Research Strategic Plan, December 2001;
- development of a HSC Gas Safety Publicity/Awareness Strategic Plan, December 2001; and
- introduction of new requirements for the reporting of gas incidents, December 2001.
- CD on proposals for amending the Gas Safety (Management) Regulations 1996, December 2002. Submit Regulations, publish guidance, May 2003;
- approval of CORGI to revised operating criteria, August 2002;
- CD on proposals for amending the Gas Safety (Installation and Use) Regulations 1998, December 2002. Submit Regulations, publish ACOP and guidance, April 2003;
- revision of the ACOP Standards of training for safe gas installation, draft CD June 2002 with ACOP in force December 2003.

Work relating to the introduction of Gas Safety Levy Regulations, the development of a Gas Safety Research Strategic Plan and the development of a Gas Safety Publicity/Awareness Strategic Plan are dependent on the proposed Safety Bill.

The transfer of enforcement for gas safety issues in domestic premises to LAs is dependent on negotiations with LAs and DTLR about resource implications.

Land use planning

HSE will:

- hold public consultation over the results of the internal Land Use Planning Review;
- re-evaluate the current criteria for land use planning purposes;
- produce risk criteria for land use planning in the vicinity of major hazard pipelines;

HSE has created a small team to implement the recommendations of the Land Use Planning Review. This work will be taken forward over the next three years. Part of its remit is to review Land Use Planning Criteria, consult on the results, and produce a revised version of Risk Criteria for Land Use Planning, for both chemical sites and major hazard pipelines.

- produce amendments to the COMAH Regulations as agreed with the EU.

The UK is currently negotiating EU amendments to the Seveso II Directive. It is anticipated that the COMAH Regulations will be amended by the end of 2004.

Fairgrounds

A review of safety on fairground rides was completed in March 2001, action will be taken to implement the recommendations of this review.

HSE published its report of the review of fairground safety on the internet in September 2001 at http://www.hse.gov.uk/spd/noframes/asmt_rep.pdf. The report makes recommendations for improving the existing scheme for ensuring health and safety at fairgrounds, which are being implemented.

Improving worker participation in health and safety

This programme will increase the engagement of workers in the health and safety system and will deliver RHS action point 18. The action plan on employee consultation includes:

- consultation on new regulations, ACOPs and guidance to harmonise consultation arrangements;
- pilot the concept of workers' safety advisers ('roving' safety representatives);
- research links between good employee consultation and improved health and safety performance;
- research practical issues relating to provisional improvement notices or alternatives issued by safety representatives; and
- publicise messages on 'whistleblowing'.

Consultation is planned for Autumn 2002.

The pilot is underway. Report is due to HSC early 2003.

Research is underway and report is due December 2002.

Research is under consideration.

Completed. A workers' webpage has been set up on HSE's website on <http://www.hse.gov.uk/workers/index.htm> which includes information on *Whistleblowing: your rights*.

Other significant activities

Work-related violence. In the last year, significant progress has been made on policy development and

implementation of HSC's three-year programme on work-related violence. This has been due to the effective relationships that HSE has developed with key partners both externally and across Government. For example, HSE used Training Initiative funding to drive forward a project to create National Occupational Standards in Managing Work-related Violence, in association with the Employment National Training Organisation (NTO). Research has been commissioned to find good practice examples of preventing and managing violence to lone workers, and a tender specification is currently being prepared on where design of the work environment has reduced the incidence of work-related violence. An initial draft of free guidance on work-related violence for taxi drivers has been completed and guidance for SMEs in managing work-related violence was published in July 2002.

Changing patterns of work

There is a growing perception amongst health and safety professionals that changing patterns of work are resulting in unmanaged escalation of risk. However finding evidence, particularly when the overall accident figures have not gone up (there has been a downward trend since 1974) is difficult.

In 2001/02 work was put in hand to investigate if changing patterns of work are leading to an escalation of risk. A free leaflet alerting people to their duty to manage contractors will be published shortly. This work will continue into 2002/03.

Links with economic and other regulators

HSC/E will develop its relations with economic regulators in the privatised utility companies (electricity, gas, water) so that the economic and health and safety regulators are not working at cross-purposes. HSC/E will:

- collaborate with economic regulators to ensure work is co-ordinated and, as increased competition is rolled out, mechanisms are in place to control risks;
- work closely with other regulators involved in the railways industry (Strategic Rail Authority (SRA) and Office of the Rail Regulator (ORR);

HSE has developed links with the private utility companies and has held meetings with trade associations representing them during 2001/02. HSE is developing useful relationships with the economic regulators for the various utilities providers, and has had useful meetings with each of them during 2001/02.

HSE has developed procedures for implementing and monitoring MoU arrangements and day-to-day liaison. A revised procedure for providing

- develop and maintain joined up activity with other regulators (eg EA, SEPA, the Maritime and Coastguard Agency (MCA) and the Civil Aviation Authority (CAA).

enforcement information to ORR has been developed and is on trial (review due August 2002). Other arrangements for liaison with ORR, including revising the MoU and working arrangements are in progress. HSE has also set up a Research Steering Group which has increased communication and liaison with ORR, SRA and other major players. HSE has also worked closely with ORR and SRA in developing proposals for the railway industry bodies recommended by Lord Cullen – the Railway Accident Investigation Branch (RAIB) and the Rail Industry Safety Body (RISB).

HSE has continued to liaise with MCA and Maritime Accident Investigation Branch (MAIB) on dockwork on ships, boats on inland waterways, loading of bulk carriers etc.

HSE also had two meetings with MCA on 'offshore' topics. CAA is represented at the Helicopter Liaison Group (HLG) (a sub-group of OIAC) which meets twice a year and discusses overlapping areas of interest.

HSE has continued to work with the CAA on the revision of the guidance on airside safety management.

Table 25 Work to provide information and advice to improve the knowledge of health and safety

Plans for 2001/02

Progress during 2001/02

Our statutory functions include the provision of information and advice on health and safety issues. The forthcoming Freedom of Information Act (FOI) will add a duty to provide information on all aspects of our business. Effective communication will ensure we reach a diverse audience and that we are successful at winning and retaining public confidence as an authoritative and independent expert body. Planning, managing and evaluating communications and producing high quality information products are therefore vital to our overall effectiveness.

In our programme to ensure openness and to provide appropriate information and advice HSC/E will:

- work to put in place systems to ensure compliance with new and existing FOI and Data Protection Act (DPA) legislation in the most cost-effective and co-ordinated way and in accordance with its own policies, which set a presumption of maximum openness;
- commission market research and customer evaluation to ensure our communications and products are appropriate;
- manage HSE Books, Infoline, language services, advertising services, and develop and expand HSE's web capability;
- promote key messages through media, publicity, campaigns, newsletters, videos, development and production of posters, and via attendance at exhibitions, conferences, occasional seminars and workshops;

Systems for compliance with the Data Protection Act established, ensuring a cost-effective and co-ordinated approach. New FOI legislation now expected January 2005.

Pilot publications scheme now in place
<http://www.hse.gov.uk/publish/index.htm>.

Project Board established for electronic document records management requirements to assist compliance with FOI/DPA.

Substantial programme established, some have been commissioned and completed on particular publications; the remainder of the programme is awaiting approval before proceeding.

All these contracts have been successfully re-tendered in 2001/02. The HSE Books and Infoline services have been awarded Beacon status. Pilot work is being undertaken whereby HSE Books and Infoline are working together to take orders for free publications, to help provide a seamless service.

HSE's key messages were promoted consistently through these communications channels, in a mix of 50 conferences/exhibitions/seminars; four new videos, 329 press adverts and 31 publicity campaigns. Granada TV worked with HSE in

- publish all research results in full and free of charge on the HSE website;
- manage the UK focal point of the European Agency;
- manage and organise the UK input to the European Week for Safety and Health at Work, with the theme of prevention of incidents in 2001 and work-related stress in 2002;
- manage and organise a programme of high profile publicity events and campaigns to support the priority programmes, SH2, and the Small Firms Strategy, including the Good Neighbour Scheme and working with intermediaries;
- produce high quality free and priced publications, and electronic based products including development of the legislative database (hsedirect) and the e-commerce website; and
- develop and implement policies and procedures to ensure compliance with FOI requirements.

piloting the Worksmart series, which helped raise awareness of the priority programme health and safety issues in the North West of England. The promotional activity has helped to double the number of hits to HSE's website.

All Contract Research Reports (CRRs) and offshore reports are now available free via the Internet.

This programme resulted in the UK having two successful and two highly commended entries in the European Week Good Practice awards. In the SME competition, three of the seven ranked UK entries were awarded funding. The European Agency (UK) website had a 100% increase in the number of hits.

Over 25 000 organisations participated in the 2001 campaign. Plans are well in hand, and a 'working on stress' website has been established at <http://www.hse.gov.uk/euroweek/index.htm>

The construction Working Well Together campaign (WWT) included among other high profile events, a Deputy Prime Minister's health and safety summit for the industry, followed by a strong advertising campaign in the daily tabloid media. Three events were run under the Good Neighbours Scheme, with over 300 people attending.

The development of hsedirect continues with discussions with OGDs about the development of related modules which will facilitate cross-government provision of information.

New FOI legislation now expected January 2005.

Publicity campaigns and guidance projects

We will review, revise and develop new guidance documents, applying the skills and expertise of HSE's policy, technical and operational staff to ensure the information is useful and correctly targeted.

We will actively seek and take on board the views of stakeholders, especially those of small firms, to ensure the needs of audiences are met, and that we deliver the right message in the right way to the right people (the 3Rs). A series of presentations and workshops has been delivered on the key findings of the 3Rs programme (including to the Royal Society for the Prevention of Accidents (ROSPA), DoH, McCains Food and at the Chief Scientists seminar).

Planned publicity campaigns for 2001/02

Gas safety (carbon monoxide poisoning)

Child safety (agriculture)

Working Well Together (construction)

The Killing Fields (agriculture)

National Stress Awareness Day: 7 November 2001
organised by the International Stress Management
Association UK

Management of asbestos in buildings

Raising awareness of the selection and use of PPE

Progress during 2001/02

The campaign led to a 10% increase in awareness within the target audience, and resulted in a 50% increase in the number of calls to the gas helpline.

There was an extremely successful pilot agricultural child safety poster competition. The winning posters were used in the Easter 2002 advertising campaign.

As well as the Deputy Prime Minister's health and safety summit, this campaign included a 'white van man' advertising campaign, a bus tour and awards ceremony. Research showed that 70% of managers and 60% of workers recognised the campaign logo.

This campaign was not run in 2001/02, due to the sensitivities caused by the culling of animals during the foot and mouth outbreak.

HSE contributed to the day and launched the revised guidance on work-related stress for small firms. HSE also addressed the conference arranged by the organisers.

In October 2001, HSE began a programme of seminars and roadshows with intermediaries to highlight the new regulations. See <http://www.hse.gov.uk/asbestos/>.

Five roadshows raising awareness of the importance of the correct selection and use of PPE.

Manual handling

European Week of Safety and Health (October 2001)

Planned guidance projects for 2001/02

Work-related stress

Musculoskeletal disorders

Display Screen Equipment Regulations

Biological agents

Electrical safety

Home care workers

Protection of workers against ultra violet light

Shift working

Review of asbestos guidance

Isolators in hospital pharmacies

Ionising Radiations Regulations 1999 (IRR99)
Radiation (Emergency Preparedness and Public
Information) Regulations (REPPIR)

Work in Compressed Air (WCAR)

Publicity for manual handling was included in the conferences and events run during the year and the Worksmart TV campaign with Granada TV.

2001 showed the biggest response to date, as over 25 000 organisations participated, and the campaign reached 9.3 million workers.

Progress during 2001/02

Published 2001/02

Published 2001/02

Due November 2002

Due October 2002

Due December 2002

Published 2001/02

Awaiting revised date for publication

Awaiting agreement of working group before publication date can be announced

Review ongoing

Joint HSE/Medicines Control Agency guidance on the use of isolators in hospital pharmacies for the reconstitution of cytotoxic drugs is due to be published shortly.

Non-statutory guidance was published in January 2002. A revised HSE statement on radiation protection advisors was published in December 2001.

HSE has been working for many years to develop a technical justification for allowing compressed air tunnellers to de-compress using oxygen, so that their health risks are brought down to levels comparable to those of divers who have used oxygen for some time.

Health and safety in call centres

Chemical Control Toolkit (based on COSHH Essentials)

Revised guidance and addendum to the WCAR have now been published. This has allowed the formal HSE approvals regime under the regulations to be changed in favour of oxygen.

The change was achieved in September, with the result that all de-compressions of compressed air tunnellers in the UK are now carried out under oxygen, with significant benefits to long term health.

After undertaking comprehensive research on working practices and conditions in call centres, HSE issued new guidelines for local authorities in December 2001.

Delivered to ILO in November 2001.

Table 26 Work to promote risk assessment and technical knowledge

HSC/E's science and technology mission statement records that we develop and apply science and technology to provide a sound independent knowledge base to evaluate the risks to people's health and safety from work activities and the means to assess and control these risks in order to help achieve our objectives.

HSE annually spends about 15% of its grant in aid on commissioned science and technology, around half on research and the other half on reactive work. We planned to spend £33.6 million (£28.6 million in resource terms) under the mainstream programme in 2001/02, and similar amounts in 2002/03 and 2003/04. For years 2001/02 to 2003/04 there is a consistent planned spend in occupational health and engineering hazards and an increased spend in behavioural and social sciences to meet the priority targets for health and safety.

In 2001/02 HSE spent around £17 million on research in addition to research funded through HSE by industry. The figure is different from that quoted in Note 4 to the Accounts because it excludes research relating to reactive support and incident work but includes work undertaken by HSL (eliminated on consolidation).

We will use our science and technology resources for:

- research – finding out what was previously unknown, developing methodologies and testing hypotheses; and
- intelligence gathering – establishing what is known about an issue and applying scientific expertise to the information in developing policy and guidance.

All HSE research is procured in a rigorous competitive environment and a substantial amount is placed with a wide range of external suppliers. HSE's in-house agency, the Health and Safety Laboratory (HSL) also undertakes research to enhance and add value to its primary role, which is to provide casework support, evaluations of risk assessment methodologies and assessment of technical standards etc, and forensic support - investigation of incidents which may require research and intelligence activities. For example, significant work was done to support the investigation into the Ladbroke Grove fatal train crash. To secure access to expertise beyond the core capabilities of HSL, a framework technical support agreement (with an indicative spend of around £2 million per year) has also been established with seven external contractors. More information about HSE's research activities can be found on <http://www.hse.gov.uk/research/index.htm>.

Science and innovation strategy

Our science and technology programmes are drawn up to meet policy and operational requirements, both to meet our priority targets and also to support work within our mandatory activities. We will work closely with stakeholders to deliver our high level targets, building on existing links to identify gaps in scientific understanding, to share knowledge and to undertake collaborative projects. We will work with other departments to identify issues of common interest, thereby meeting one of the key recommendations of the Phillips BSE Inquiry Report. In formulating our research programmes, we will place an even higher priority on research partnerships.

Under the direction of the Chief Scientist, the Research Strategy Unit has implemented new management arrangements for HSE's science and innovation (S&I) strategy to better focus on HSE's business priorities. A new publication, the Strategic research outlook, which has replaced the Mainstream research market document was published on the HSE website in February 2002, detailing HSE's research needs and inviting proposals under the 'Competition for Ideas'. The Research Strategy Unit has chaired a series of implementation working groups to identify the key practical issues relating to the new S&I management arrangements and to propose workable solutions. The proposed principles and implementation solutions identified by the Working Groups have been approved by the Chief Scientist and are being introduced in an implementation programme from 1 April 2002.

We are committed to policies based on the best available scientific advice and to the maximum openness and transparency in our funded research in line with the Chief Scientific Adviser's *Guidelines 2000*. Research results will be placed in full and free of charge on the HSE website.

Plans for 2001/02 (and beyond):

- evaluate the impact and effectiveness of HSE communications and advice on occupational health and safety;
- develop methodologies to evaluate dutyholder performance and HSE impact across a range of sectors of the chemical and related industries;

HSE has commissioned research on focused intervention strategies targeting occupational health in SMEs, investigating practices in communication and information exchange among construction design management dutyholders and work to help HSE segment and prioritise the needs and motives of stakeholders.

HSE has invited proposals for research to identify indicators to measure health and safety performance, assurance of control of human factors

- determine how effective HSE is in regulating health and safety;
- identify the most important changes and trends for HSE in society and work;
- improve the way HSE engages with its stakeholders and communicates about risk;
- understand the effects of major organisational change on health and safety, how health and safety culture can be fostered, and the effects of joint ventures and contractisation on health and safety;
- understand the processes by which people attribute their symptoms to their work, the impact of societal changes on employee health and people's expectations regarding work-related health outcomes;
- research into human factors aspects of remote plant operation and human factors failures in operating and design processes;
- research into occupational exposures and health risks arising from exposure to dioxins and

that impact on major hazard accident risk and to investigate the changing nature of competency in the multi-skilled offshore work environment.

HSE has published a review of the evidence of impact on HSC/E policies and practices and has commissioned work to evaluate the impact and effectiveness of the initiative to reduce accidents in the paper industry. The 'Competition for Ideas' exercise has invited research proposals to inform evidence-based policy on how to motivate dutyholders to improve compliance.

HSE has commissioned research on an assessment of societal concerns on health and safety, a review of the occupational health and safety of ethnic minorities and on the psychological and social impact of accidents at work.

HSE has published research on methodologies to design and evaluate effective risk messages and has commissioned work on advanced risk messaging techniques.

HSE has commissioned research into cultural influences on health and safety attitudes and behaviour in small firms, on aspects of health and safety in contractisation and the supply chain and evaluation of the impact of health and safety management systems in the NHS.

HSE has invited research proposals to examine people's perceptions about occupational disease, where the general public derives their knowledge of occupational health and whether the labelling of a condition as work-related causes any stigma.

HSE has published the results of research on human factors aspects of remote operating in process plants and guidelines on staffing assessment for control rooms in the chemical industry.

HSE has completed collaborative work with DEFRA on occupational exposures to dioxins and

polycyclic aromatic hydrocarbons;

- computer modelling and alternative predictive techniques for chemical toxicity risk assessment.

has commissioned further work to examine dioxin exposure in specific work activities.

HSE has published research on further development of the lymph node assay for risk assessment of chemicals and has commissioned further work on the development of computer-based structure activity relationship systems.

Other significant activities

Development of HSE 'Trends' and 'Forward Look' activity, development and administration of a fully operational Intranet *Trends in technology* database, to facilitate increased and enhanced Forward Look activity in Technology Division in areas likely to be of significance to HSE. The database was successfully launched within HSE on 5 October 2001 and an article was included in HSE's in-house journal 'Express'. A paper has been produced detailing 'wins' so far from Trends. The paper provides part of a working brief on the implementation phase of intranet Trends. Three discussion groups have been formed and one discussion paper completed.

Managing the development of a database for recording and analysing past gas explosion incidents. The work will be a major contributor for HSE to identify trends in gas-related incidents. Data on past incidents inputted and organised. Data analysed for trends and significant features. Emerging results used to help prepare work strategies. Results used to prepare strategies and inform work planning for the coming year.

Unplanned work arising from 11 September tragedy: HSE provided technical input to Government on biological weapons.

Providing guidance and input on the Anti-terrorism, Crime and Security Act. Liaising and working with OGDs, particularly the Home Office and Ministry of Defence (MOD) on technical aspects of new legislation – new guidance drafted for police and

centres working with GMOs on new legislation (the Security of Pathogens and Toxins Regulations 2002) which implements Part 7 of the Act.

The results of the long-term study into call centre operators' exposure to noise raised considerable interest. This work will be presented as and when required. The commitment will carry on into 2002/03.

Risk assessment management and education

We will promote greater consistency, coherence and understanding on risk assessment and related issues. Decision-making on the basis of risk is a fundamental aspect of our regulatory activities. It is important that we approach such decision-making in a way which ensures that we meet the principles of good regulation ie proportionality, consistency, transparency, targeting and accountability.

HSC/E will:

- promote effective risk communication to help stakeholders understand the messages we are trying to convey and enable them to participate more effectively in the decision-making process;
- manage research projects, eg of the effects of the social amplification of the public perception of risk, aimed at improving HSE's current practice in engaging stakeholders and risk communication, and provide guidance to staff setting out good practice; and
- promote effective risk education aimed first at equipping young people with the knowledge and skills related to risk awareness which will help them to avoid occupational injury and disease and lead healthy lives, and secondly at safety critical professionals to ensure that they consider risk in both work practices and design.

HSE will work with others both within and outside HSE to:

- produce written guidance for HSE staff and develop aspects of the framework for decision-making set out in HSE's publication *Reducing Risks, Protecting People*;

External research co-sponsored by HSE and seven other departments/agencies completed in 2001. Guidance for government departments on risk communication, based on the research, being produced in conjunction with other sponsors for publication in 2002. NB: this guide is a contribution to the improvement of government risk communication as recommended by Phillips. It was included in the government response to the Phillips Report.

A comprehensive risk education programme has been developed with input from key stakeholders and this has been used as the basis for discussions aimed at raising the profile and effectiveness of risk education in general.

Reducing Risks, Protecting People (R2P2) was published in December 2001 and launched by the Chair at a seminar organised with the Policy Studies Institute.

- manage research into public perception of, and trust in, HSE as a regulator, to enable HSE to establish a base line of public trust for future reference;
- chair and provide the secretariat for the Interdepartmental Liaison Group on Risk Assessment (ILGRA), progress its work and, in particular, draft ILGRA's third progress report to Ministers and drive forward the implementation of its recommendations;
- guidance on the effectiveness of different ways of consulting stakeholders, such as focus groups, citizens' juries etc, by summer 2001;
- establish links with the Learning and Skills Council and equivalent bodies in Wales and Scotland;

Internal guidance for HSE staff to help them judge whether dutyholders have reduced risks as low as reasonably practicable (ALARP) was published in December 2001. This guidance was also put on the HSE website to enable dutyholders to understand how inspectors approach such judgements. RPU staff have attended several workshops and seminars to explain to staff the principles and philosophy underlying R2P2.

Research completed in June 2002. Results are being disseminated through presentations to HSC/E. The report entitled: *Perception of and trust in the Health and Safety Executive as a risk regulator* will be available on HSE's website in due course.

HSE provides both Chairman and Secretariat for ILGRA. ILGRA has recently:

- provided a mechanism for co-ordinating the work on departmental risk framework documents describing departments' decision making processes for controlling risks (R2P2 is HSE's risk framework document);
- enabled departments to produce a document on policy and application of the precautionary principle in the UK;
- drafted ILGRA's third report to ministers proposing a work programme to improve coherence and consistency on risk issues across government; and
- provided input to the Cabinet Office Performance and Innovation Unit risk and uncertainty study.

Work is progressing. The results will be disseminated throughout HSE for incorporation in various HSE guidance materials.

Effective working arrangements have been established with the Learning and Skills Council to promote common health and safety standards. The

- develop risk awareness statements for Welsh and Scottish curricula; provide guidance to teachers (working with DfES and ROSPA); and
- establish links on risk education throughout the curriculum (working with Institute of Occupational Safety and Health (IOSH)).

outcome of the LSC's review of funding and provision of training for safety representatives has enabled the Commission to discontinue the HSC training initiative.

Initial discussions have taken place with the bodies responsible for curriculum development in Wales and Scotland.

In Wales progress has been slowed because risk is not covered explicitly in the existing curriculum. The next consultation on a revised curriculum will probably be in four to five years time but both Welsh Assembly staff and the Qualifications, Curriculum and Assessment Authority for Wales have responded positively to developing thinking together in the interim.

In Scotland progress has been slow because the non-statutory curriculum already appears to cover risk education, and the Scottish Executive and Learning and Teaching Scotland consider that no more needs to be done.

HSE, together with ROSPA, contributed to the DfES *Safety education: Guidance for schools* document published in December 2001.

IOSH Education Specialist Group was set up in October 2001 and includes members from LEAs, schools, universities and colleges as well as HSE. The Group is currently pursuing a five-year plan of work to influence the profile of risk teaching in curricula.

Advisory committees

HSC has set up a number of advisory committees. Industry Advisory Committees (IACs) are each concerned with health and safety in a particular industry, eg construction. Subject Advisory Committees (SACs) are concerned with particular hazards, eg dangerous pathogens that might be present across different industry sectors. The committees draw on the expertise and advice available from a balance of employer and employee representatives and, where appropriate, technological and professional experts and consumer interest representatives. They encourage the joint participation of all concerned in the improvement of health and safety at work.

HSC is carrying out a review of how the committees function and the work they carry out.

The advisory committee review was overtaken by the Commission's own review of its ways of working. In September 2001, the Commission delegated to HSE responsibility for managing advisory committees. Arrangements for this have been developed and agreed by the Executive (see Annex 5 for more information on IACs and SACs).

Table 27 Statutory schemes

Plans for 2001/02

Progress during 2001/02

In some key areas of risk we will continue to operate statutory assessment or approval schemes aimed at ensuring product safety before supply.

Chemical product safety

The HSE is the UK competent authority or the relevant UK regulatory authority, or part of that authority, for several international programmes on chemicals and their potential effect on health, safety and the environment.

HSE met all its commitments under international programmes on chemical product safety, producing work that was held up as a quality benchmark within the Existing Substances programme and the OECD High Production Volume Chemicals Programme.

Within the Notification of New Substances Regulations (NONS) Programme, 207 items were dealt with against a forecast of 200.

Pesticides approval

Pesticides can present high risks to humans, (particularly workers) and the environment and warrant a statutory approval scheme. HSE carries out the technical appraisal of non-agricultural pesticides and contributes to the occupational risk assessment of agricultural pesticides.

Obligations as regulatory authority for non-agricultural pesticides and by HSE as competent authority (CA) for biocides were met. The predicted output of 210 approvals was reached with 96% being within the target dates for completion. Three reviews of older pesticides were completed and a record 10 122 enquiries were answered. Receipt income for HSE was maintained.

Employment Medical Advisory Service (EMAS)

EMAS continues to provide statutory clinical assessment and medical surveillance of workers exposed to specific hazards such as lead, asbestos and diving.

EMAS consists of doctors (medical inspectors) and nurses (occupational health inspectors) who carry out primary inspection of health risks in the workplace, investigate cases of ill health and

Electrical Equipment Certification Service (EECS)

EECS provides a service for examination and testing of products and the assessment and auditing of the manufacture of the products. An advisory body including representatives from stakeholders, eg manufacturers, users and regulatory authorities, oversees the programme.

provide advice to HSE and LA inspectors on all aspects of occupational health issues. EMAS also runs statutory schemes for medical examinations for lead, asbestos, ionising radiation, chemicals, compressed air and diving.

An announcement has been made that EECS, based in Buxton, is to close by the end of June 2003. The background to this decision can be found in the HSC/E Annual Accounts (paragraph 16 of the Foreword).

Table 27A Statutory schemes

	1999/00 Outturn	2000/01 Outturn	2001/02 Plan	2001/02 Outturn
Jobs completed by EECS	1 058	1 237	1 104 (Revised to: 834)	1 089
Pesticides approvals	169	190	210	210
Notification of new substances	192	109	200	207

MANAGING THE ORGANISATION

Business improvement

1.35 HSE's commitment to continuous improvement is delivered through its Business Improvement Plan. The plan shows HSE achieved savings of over 4% of our administrative costs during 2001/02 through a combination of cash savings and quantifiable added benefits. This exceeds the PSA target for 3% year-on-year efficiency gains.

1.36 As in previous years, savings have been achieved from a wide range of HSE activities, for example:

- further rationalisation and more effective use of our accommodation;
- improvements to HSE's work with pesticides;
- streamlined vacancy filling procedures; and
- streamlined evaluation of research portfolio.

Resources

Full details of HSC/E accounts for 2001/02 can be found in Part 2.

Staffing

Table 28 Total HSC/E staff in post by occupational group

Occupational Group	1 April 2001	1 April 2002
	Staff in post	Staff in post
Inspectors	1 534	1 625
Other professional or specialist staff	1 333	1 461
Other staff	1 027	964
Total staff	3 894	4 050

Table 29 Total HSC/E staff in post by Directorate/Division

Directorate/Division	1 April 2000 Staff in post	14 April 2001 Staff in post	1 April 2002 Staff in post
Health and Safety Commission	33	-	-
Support and Senior Management Support Unit			
Solicitors Office	20	22	36
Policy Unit (and training initiative)	41	-	
Resources and Planning Directorate	506	500	500
Health Directorate	258	245	244
Safety Policy Directorate	136	127	110
Strategy and Analytical Support Directorate ¹	-	102.6	108
Rail Directorate ²	-	-	33
Operations Group			
Operations Unit	26	13	14
Local Authority Unit	15	17	11
Field Operations Directorate	1 440	-	
HM Railway Inspectorate	108	-	
Field Operations Directorate & HM Railway Inspectorate ³	-	1 567	1 694
Chemical and Hazardous Installations Division	287	-	
HM Inspectorate of Mines	32	-	
Offshore Safety Division	230	-	
Hazardous Installations Directorate ⁴	-	526	545
Nuclear Safety Directorate	240	247	253
Directorate of Science and Technology	167	-	
Electrical Equipment Certification Service	50	44	40
Technology Division ⁵	-	123	121
Total HSE staff	3 589	3 534	3 709
Health and Safety Laboratory	348	360	341
Total staff	3 937	3 894	4 050

Notes:

- 1 Strategy and Analytical Support Directorate was formed from Senior Management Support Unit, Policy Unit, Statisticians' Branch, Economic Advisors Unit and Risk Assessment Policy Unit. The figure includes HSC support staff.
- 2 Rail Directorate formed from Safety Policy Directorate in November 2000. (Staffing figures combined with those for Safety Policy Directorate at 1 April 2001.)
- 3 Field Operations Directorate and HM Railway Inspectorate brigaded May 2000.
- 4 From 1 April 2000 Chemical Hazards Installations Division, Offshore Division and HM Mines Inspectorate combined to form Hazardous Installations Directorate.
- 5 Technology Division was formed from the main part of Directorate of Science Technology, the other parts of which were moved into other Directorates.

Recruitment

1.37 Recruitment into HSE is conducted in line with the Civil Service Commissioners' Recruitment Code. We operate systems and procedures that meet the Code and ensure that recruitment is carried out on the basis of fair and open competition and selection on merit. The systems and procedures are subject to periodic internal and external audits. The Code requires departments to publish summary information about their recruitment and the use of permitted exceptions to the principles of fair and open competition and selection on merit.

1.38 During the year there were:

- 451 staff recruited;
- 17 'New Deal' appointments under fair and open competition. The New Deal programme is a Government initiative to assist the long-term unemployed;
- 26 UK secondments/loans into and out of HSE and 11 overseas secondments;
- Three extensions of short-term appointments beyond the initially publicised period; and
- 14 re-appointments of former civil servants.

Table 30 Recruitment

Recruitment level	Number	Male	Female	White	Non-white	Not declared*	Disabled
SCS	1	0	1	1	0		0
Band 1	1	0	1	0	0	1	0
Band 2	9	4	5	1	1	7	0
Band 3	68	49	19	41	0	27	0
Band 4	144	72	72	114	13	17	0
Band 5	30	13	17	13	0	17	0
Band 6	198	90	108	104	24	70	0
Total	451	228	223	274	38	139	0

Notes: *Information on ethnic status is not always provided.

Private Finance Initiative (PFI)/Public Private Partnerships (PPP)

1.39 **HSL laboratory:** Ministerial approval was given on 19 November 2001 for the PFI deal for HSL accommodation to be located on HSE's Harpur Hill, Buxton site. Following final commercial negotiations the deal was commercially and financially closed on 12 April 2002. The deal requires the PFI concessionaire - Investors in the Community (Buxton) Ltd - to design, build, operate and finance a new laboratory facility for HSL. This involves the construction of a £56 million laboratory, and subsequent maintenance and provision of

support services (eg IT maintenance and support, security, cleaning, catering, office support services) for a further period of 30 years.

1.40 **REFIT – IT:** On 29 June 2001, HSE let a PFI/PPP contract to CMG UK Ltd, working in partnership with Computacenter, to provide IT and consultancy services to all HSE users over the next ten years. CMG and Computacenter took full responsibility for the service in October 2001 following a three-month transition period.

1.41 **Merseyside HQ Project:** A business case for the privately funded renewal of HSE's Merseyside headquarters has been approved, and proposals invited in competition from a shortlist of consortia.

1.42 **Hsedirect:** The first revenue flows from the hsedirect website started in 2001/02. Hsedirect (designed to increase access to legislation and guidance) is a PPP with Butterworths Tolley and is an online database containing the full text and related images of health and safety legislation, ACOPs and HSE guidance publications. The addition of 600 HSE publications during the year and improved functionality on the site led to an increasing number of subscriptions, so demonstrating the value for money aspect of the service.

Sponsorship

1.43 In 2001/02 HSE received sponsorship from a number of employers in support of the 2001 Working Well Together (WWT) campaign which is an industry-wide construction health and safety campaign developed by HSC's Construction Industry Advisory Committee (CONIAC). Sponsorship was provided for two elements of the campaign:

- the WWT bus tour, a roadshow which visits construction sites around the country to promote health and safety messages and encourages workers to 'sign up' to best health and safety practice;
- the WWT 4C awards dinner at which awards are presented to winners and tables are 'sold' to WWT member organisations, mainly those who have entered the awards.

Bus tour

3M	£30 000
Hilti	£5000
Taylor Woodrow	£15 000
Total	£50 000

Awards dinner

CITB	£10 000
Contract Journal	£2500
Channel Tunnel Rail Link	£5000
Lincsafe	£5000
Table sales*	£19 450
Total	£41 950

* Competition entrants who 'buy' a table for their organisation for the awards dinner. Individual companies do not pay more than £5000, the figure above which organisations are identified.

Wider markets

1.44 HSE reviewed its approach to charging for various aspects of its work (including publications and provision of information) under the Wider Markets Initiative. It also re-examined its approach to exploiting any commercial applications of research and the use of sponsorship. HSE pointed out that there were limits set by its role as a regulator in how far it could pursue income from its work. It also concluded that it had an active approach to pursuing charging within those limits.

Departmental Investment Strategy

1.45 HSE manages its capital assets through the Departmental Investment Strategy (DIS). Investment to support its activities is mainly in accommodation, scientific instruments and motor vehicles. Under a PFI contract, HSE's IT assets have been transferred to an independent supplier as part of the provision of HSE's IT services. A PFI contract has been agreed for the provision of a new laboratory for HSL.

Resource accounting and budgeting

1.46 The switch from cash accounting to resource accounting by central government departments became effective from 1 April 2001. HSE is now planning, controlling and accounting for expenditure on a resource basis.

Reducing fraud

1.47 The levels of fraud committed against HSE are small. We are continuously seeking to further reduce it by systematic risk identification and improving control measures. Where fraud is detected, we press for the strongest possible action against those committing offences to act as a deterrent to others.

Prompt payment of bills

1.48 HSE's and HSL's combined payment performance for the 2001/02 financial year is 98.9%. Although below the Government's target of 100%, this is a very good performance and marginally higher than last year's figure of 98.4%. Improvements in this performance level are likely to continue in 2002/03 as the expansion of the Government Procurement Card (a low cost method of paying suppliers quickly for small value purchases) continues to impact on the speed with which low volume invoices are paid.

Charging

1.49 Ministers and HSC agreed that the Control of Major Accident Hazards Regulations 1999 (COMAH), gas transportation, offshore and railway charging schemes should be reviewed after two years of operation. The evaluation began in June 2001 with survey and other work to see what effects charging had in industries covered by COMAH. The following reports have been completed:

- the COMAH charging scheme;
- the effectiveness of the administrative processes;
- the effectiveness of the queries and disputes procedure; and
- the reasonableness of HSE's charge out rates.

1.50 HSC concluded that no fundamental change should be made to the approach to charging for COMAH

work. On the administrative processes, HSE has already introduced some improvements and will take forward further work as part of its review of IT services. The queries and disputes procedure was found to work well and was regarded by those who had used it as fair. The comparison with HSE's charge out rates with public and private comparators showed some evidence that HSE's rates were higher than some others. HSE will be maintaining its efforts to improve in this area.

1.51 HSC will report to ministers on the evaluation and review of gas transportation, offshore and railways in autumn 2002.

1.52 The Industry-wide Charging Review Group presented its annual report to the HSC on 15 January 2002. Issues on which progress was reported included:

- emerging findings of the evaluation of the COMAH charging scheme;
- operation of the queries and disputes procedure;
- fitness for purpose of the charging guides for industry;
- alternative methods of charging; and
- continuing viability of a separate Gas Transportation Charging Review Group.

1.53 As part of HSC's policy of recovering HSE costs in 'permissioning' regimes, charging was introduced from 2 April 2002 for approval functions undertaken as part of the Offshore Installations and Pipeline Works (First-Aid) Regulations 1989. This brings this work into line with onshore first aid provisions. HSC agreed that charging should not be introduced for work under the Chemicals (Hazard Information and Packaging for Supply) Regulations because the expected revenue was regarded as *de minimis*.

Information technology

1.54 IT service contracts were retendered during 2001/02 and REFIT arrangements with CMG/Computacenter were set up on 17 October 2001. In addition, there was progress on about 60 projects including:

- information security - further work on implementing BS7799 (a detailed security standard) and firewalls;
- migration to Lotus Notes e-mail system;
- roll-out of Microsoft Office 2000 to networked PCs;
- changes to existing systems, eg new boundaries and divisions in FOCUS (the management system used by FOD), upgrade of the PARIS personnel system; and
- support of development of new systems, eg the hydrocarbons database and an incident contact centre for reporting incidents and accidents.

1.55 The first stage of HSE's e-correspondence and briefing system 'All Round Knowledge' (ARK) was rolled out in July 2002. It is a software application for HSE staff to use when preparing and approving briefings and official correspondence. The system will enable HSE to join up with the Whitehall-wide Knowledge Network briefing system managed by the Office of the E-Envoy.

Equality and diversity

1.56 Progress has been evident in most of the key areas over the last year with diversity now in the mainstream of our policies and procedures. Our main achievements during 2001/02 were:

- The new **senior civil service (SCS) performance management procedures** introduced this year, require all SCS members to draw up a performance agreement with a least one diversity objective (or broader management objective with a strong and explicit diversity element). An essential element of the performance management system is the SCS competence framework, which sets out key behaviours that SCS must demonstrate in their roles as leaders of the civil service. All HSE's SCS participated in a 360-degree feedback assessment based on the behaviours set out in the competence framework. They have received individual assessments and a corporate report has also identified issues for HSE. Individuals have been encouraged to complete a development plan to monitor progress in the areas identified from this assessment.
- HSE has had considerable success in **recruiting ethnic minority applicants** in our trainee inspector of health and safety campaign this year. Of 115 successful recruits, 10% were from ethnic minority backgrounds. This is due to a combination of factors: increased promotional activities; revamped advertising and prospectus; contracted-out sifting and so on. The overall quality of applicants was much higher than in previous years. We won an award for 'recruitment excellence' from the Birmingham Evening Mail for our 'University of Life' advertisement. This approach accounted for 61% of returned applications.
- **Staff survey results** on diversity are very encouraging. For example: 75% of staff viewed HSE as an equal opportunities employer (up from 67% - government benchmark 65%). 73% considered they were treated with dignity and respect at work (up from 70% and staff experience of unacceptable behaviour also dropped from 18% to 14%).

1.57 Progress on 2001/02 challenges:

- **Stronger corporate leadership:** All members of HSE's SCS have either hosted or attended one or more of 38 diversity training workshops for staff across the UK to demonstrate the commitment of senior managers to this agenda. Senior managers are being seen to actively support the reduction of long hours culture by leading by example and are encouraging a safe environment for staff to speak out against unacceptable behaviour. The Director General instigated a corporate induction package for all new recruits.
- **Under-representation issues at senior levels:** We have achieved improvements on gender, race and disability (see table below). The improvement on disability has been particularly encouraging. HSE participated in the Cabinet Office civil service-wide 'Pathways Development Programme' for ethnic minority staff with upward potential. All eligible ethnic minority staff and their line managers were invited to management briefings held by the Cabinet Office and, as a result, five individuals submitted applications. Three of these were selected by the Cabinet Office to attend the Development Check Centre. Each applicant was given comprehensive feedback and a personal development plan as a result of attending the Development Check Centre and HSE will be doing what it can to ensure their development needs are met.

- **Challenging unacceptable behaviour:** HSE is redrafting its staff handbook chapter on unacceptable behaviour to make it easier to follow and to improve access. Together with the launch of our Harassment Contact Adviser Network and new-found confidence generated by the diversity workshops, individuals feel more empowered to challenge unacceptable behaviour as they perceive it.
- **Disability issues:** HSE recently surveyed everyone in the organisation to establish who may be in need of workplace assistance. The response was very encouraging with an increase of 1.5% over 1999 figures, bringing our March 2002 total (of those declaring a disability) to 4.6%. We have also taken new membership of the Employer's Forum on Disability, which is designed to help us employ people with disabilities and serve disabled 'customers'.
- **Management capability:** Our new *Essential training for managers* package has been bedding in and HSE's approach to diversity is a recurring theme in the training. The training is mandatory for new managers, but we have been particularly pleased with the take up of individual modules of the programme by existing managers. The modular approach means staff do not need to spend lengthy periods away from home to undertake training. We have also developed a new 'personal development for women' course.
- **Diversity training:** There were some teething troubles with the initial training sessions in 2001 with early feedback indicating that it was not sufficiently challenging. In addition HSE decided to open the training on a voluntary basis to all staff, not just managers. Around 70% of staff have attended the workshops, which, for a voluntary programme, is a considerable achievement. The workshops have been a great success with positive feedback from over 90% of those who attended.
- **Equality proofing performance reviews and other HR systems:** Performance management and pay arrangements: This is a project started this year to revise HSE's performance management and pay arrangements in support of the Civil Service Reform Programme. The aim is to obtain stronger performance management in the organisation by promoting more open and honest discussion, as well as a sharper focus on individual development and continuous improvement. The new arrangements will be piloted from April 2002 and introduce new independent checks for equality and quality of performance appraisal, development and reward aspects. In addition, a new framework for performance related payments will be introduced including reward panels set up to consider high performance awards, which will also include an independent element in the decision making. As a result of this new work, the focus has been taken back from further evaluation of the current appraisal system.

Table 31 People declaring a disability

BAND	1 APRIL 1999		1 MARCH 2002		TARGET 2005*	
	Number	%	Number	%	Number	%
SCS	0	0	1	1.8	2	3.7
B1	2	1.6	3	2.2	4	3.1
B2	7	1.2	23	3.6	10	1.8
B3	15	1.3	48	3.8	19	1.6
B4	11	2	21	3.2	16	2.9
B5	11	2.7	23	4.3	16	3.9
B6	73	6.1	82	7.5	77	6.4
TOTAL	119	2.9	201	4.6	144	3.5

Table 32 Females

BAND	1 APRIL 1999		1 MARCH 2002		TARGET 2005*	
	Number	%	Number	%	Number	%
SCS	13	24.5	13	23.2	15	29
B1	8	6.2	18	13.1	13	10
B2	71	12.2	97	15.3	80	13.7
B3	304	26	389	30.8	326	27.8
B4	259	47.1	325	48.8	275	50
B5	268	65.7	364	68	263	64
B6	873	72.9	756	69.5	838	70
TOTAL	1 796	43.9	1 962	44.8	1 810	44.2

Table 33 People from ethnic minority backgrounds

BAND	1 APRIL 1999		1 MARCH 2002		TARGET 2005*	
	Number	%	Number	%	Number	%
SCS	0	0	0	0	1	1.8
B1 G6	1	0.8	3	2.3	3	2.3
B2 G7	7	1.2	15	2.5	12	2.1
B3 SEO	35	3	54	4.4	45	3.8
B4 HEO	17	3.1	47	7.3	24	4.4
B5 EO	31	7.6	42	8.2	38	9.3
B6 AO/AA	103	8.6	117	11.2	118	9.9
TOTAL	194	4.7	278	6.5	241	5.9

* Projected figures at 1 April 1999

Race Equality Scheme and Race Relations (Amendment) Act 2000

1.58 A considerable amount of work has been carried out to further develop our approach to race equality. The 2000 Act requires both HSC and HSE to address the elimination of racial discrimination and promotion of equal opportunities and good race relations. In addition, orders made under the Act require named public bodies to publish a race equality scheme by 31 May 2002. The legislation has provided an excellent opportunity to re-examine our existing initiatives on racial equality and identify how we can be more effective.

1.59 In May 2002, HSC and HSE published a draft race equality scheme, which can be found at: <http://www.hse.gov.uk/hsc/res.pdf>. The scheme represents the culmination of reviews within HSE Directorates and sets out a co-ordinated approach to race equality. It addresses how we will promote equality of opportunity through our own employment practices, as well as in the way that we interact with external stakeholders, including workers, employers and members of the public.

1.60 There is no legal requirement to consult on the content of the scheme. However the decision was taken to issue an interim scheme for consultation and to publish a revised version in early 2003, taking account of comments received. The Commission for Racial Equality has indicated that it regards this approach as representing good practice.

1.61 The scheme includes an action plan, containing 45 key commitments to be completed over the next three years. Progress against these will be reported annually, and at the end of the three years the position will be reassessed and a further scheme will be issued.

Staff training and development

1.62 In 2001/02 the HSE Board agreed a corporate strategy for learning and development, which sets out priorities and outlines the skills staff will need in the coming years. HSE also prepared for corporate assessment for Investors in People.

1.63 In terms of centrally held contracts for training, over 450 courses ran with over 3000 staff trained. Subjects covered range from those relevant for all staff such as the induction course, HSE's occupational health and safety arrangements, management training, personal development and IT skills, to those for specific jobs such as legal training for regulators, or the Occupational Health and Safety Postgraduate Diploma run by Heriot-Watt University.

Government targets on sickness absence

1.64 In May 2001, new arrangements were introduced to manage sickness absence more effectively. The arrangements are designed to support line managers in removing barriers, wherever possible, that prevent staff from attending work, which take account of health, personal and domestic circumstances. The guidance emphasises that managers should be supportive and sensitive when dealing with absence issues. However, when repeated periods of absence cannot be justified, managers are required to agree attendance improvement targets with staff which, if not achieved, could lead to dismissal. From April 2001 to March 2002, there was a total of 32 422 working days lost in HSE through sickness absence, an average of 8.06 working days lost per staff year, a reduction from 8.5 days last year. These arrangements are currently under review, to ensure that the

improvements are maintained and where appropriate the arrangements will be modified to further support staff and management.

Green housekeeping

1.65 HSE is fully committed to pursuing and promoting best environmental practice across its estate and has continued to implement several initiatives and introduce new techniques and technologies to make HSE a 'greener' place to work. Activities included:

- implementing a green housekeeping strategy;
- continued participation in the Public Sector Energy Efficiency campaign to reduce annual energy consumption on HSE's estate, demonstrating value for money in energy procurement and usage, as well as cost-effective management;
- establishing sound data collection methods and baseline information for measuring progress against the 12.5% target reduction in annual emissions of carbon dioxide and other greenhouse gases in HSE buildings by 2010;
- developing an environmental management system (EMS) for the functions of HSE's Business Services Division and considering opportunities for implementing such systems elsewhere on the estate;
- considering environmental implications when decisions are taken on purchasing and the use of resources;
- printing HSC/E publications, wherever possible, on environmentally friendly paper, using environmentally friendly processes;
- extending recycling schemes in HSE premises and continuing to reduce paper consumption by encouraging the use of recycled paper - 100% of paper purchased, under contract, by HSE comprises 100% post consumer waste; and
- undertaking three Building Research Establishment's Environmental Appraisal Method (BREEAM) surveys in multi-occupied buildings during the period.

Business risk

1.66 At its meeting in July 2000, the HSE Board adopted a Business Risk Model (BRM) which identified the main risks facing HSC/E. HSE 'Owners' of these were also identified who agreed to analyse these risks, identify the control systems in place and further control measures. The Board reviewed the BRM at its meeting in July 2002, amended it and agreed to take forward further development work and discuss progress in the autumn.

Welsh language scheme

1.67 Under the Welsh Language Act 1993, HSE is required to establish a scheme for the promotion of the Welsh language. The Welsh Language Board approved this in 1997. Since the introduction of the scheme HSE has continued to progress its Welsh language services.

1.68 This year has seen more staff attain NVQs at all levels in Welsh. These language skills are now being implemented through more staff attending various events and functions organised by HSE for the public in Wales. We have also continued to expand our range of publications in Welsh and following a review of our publications this year, it is now HSE's long-term aim to produce back-to-back bilingual leaflets where that is more appropriate than separate language versions.

Devolution

1.69 HSC/E has a commitment to working in partnership with the devolved administrations of Scotland and Wales in areas of common and closely related interests. HSE has good working relationships with the Scottish Executive and the National Assembly for Wales on a wide range of issues, many of which are devolved, including public health, agriculture, education and enterprise. In Scotland a steering group has been set up to ensure the RHS and SH2 initiatives can be taken forward effectively. In Wales, work continues to ensure that the initiatives are embedded into the work of the Assembly and other key organisations (eg NHS Wales, WDA).

Employee involvement

1.70 In addition to formal consultations and negotiations with HSE trade unions, at national and local Whitleys, staff are directly consulted and briefed about major proposals for organisational or personal changes. For example, during 2001/02 a number of staff have been involved in the design and development of new performance management and pay arrangements. The active involvement of intermediary groups, such as personnel contacts in Directorates/Divisions, is also sought to help review and develop personnel policies so that they meet HSE's business needs.

HSE's management plan 2001-04

1.71 HSE's Management Plan was published in October 2001 and sets out HSE's management priorities for the next three years and the activities that the organisation will focus on to progress these priorities. The Plan was developed to support our delivery of the Strategic Plan, and to help ensure that HSE is fit enough and smart enough to deliver its key priorities. It covers HSE's long-term management strategy, including its approach to Modernising Government.

1.72 It is a wide-ranging and detailed plan (containing some 80-odd actions) under four key priorities to:

- lead and look after staff, valuing their contribution and their diversity and the benefits this brings to the way we engage with stakeholders;
- get the right people in the right place at the right time, building and making best use of their skills to deliver key objectives;
- manage our information resources and the knowledge, expertise and experience of our staff, and apply it to our priorities efficiently and effectively;
- secure better business planning through integrating the management of our resources, systems and procedures to deliver high quality business objectives in an efficient and responsive way and giving value for money.

1.73 The first year of such a wide-ranging and detailed Plan has seen much activity with solid work undertaken by Directorates and real achievements recorded. For detailed progress see Annex 1.

HEALTH AND SAFETY IN HSE

1.74 HSE aims to set and maintain exemplary standards of health and safety for its staff. A large number of HSE staff are exposed to significant hazards eg visiting offshore installations, construction sites, asbestos removal contracts, working on the rail system, laboratory work etc. There are also a number of contractors and temporary staff working on HSE premises.

1.75 At the start of the year, HSE set targets for the reduction in accident and ill health as part of its response to RHS. The figures were based on 1999 performance (the best available at the time). Since then it has been established that HSE has a significant problem of under-reporting of accidents and ill health. The HSE Corporate Health and Safety Committee (CHSC) and HSE Board is considering this and will review it at the July CHSC meeting, taking account of the data for 2001/02. HSE's health and safety management system includes:

- health and safety policy (revised during 2001). HSE has overall responsibility for health and safety but requires the head of each Directorate and equivalent to ensure effective safety management arrangements within the Directorates;
- health and safety responsibilities defined and incorporated in the work plans for managers and others with specific responsibilities;
- priorities for action set through a corporate health and safety plan. Directorates add to their own priorities arising out of their risk assessments;
- HSE Board discusses health and safety at every formal Board meeting and receives reports twice a year on HSE's performance;
- monitoring by audits carried out by HSE's Health and Safety Adviser (HSA), Staff Attitude Survey (SAS), and local inspections and audits;
- accidents and work-related ill health, near misses, dangerous incidents and verbal abuse/threatening behaviour are reported and investigated.

1.76 HSE recognises the valuable role that the TUs play in promoting high standards of health and safety. CHSC is the principal consultation forum between HSE and the HSE TUs. Justin McCracken, Deputy Director General of Operations, is the Board Champion for health and safety and chairs the CHSC. The committee meets three times a year. There are a number of local safety committees, and operational Directorates have committees looking at specific industry-related risks that visiting staff encounter. Safety representatives are encouraged to be involved in workplace inspections and accident/ill health investigations.

Progress on the Health and Safety Plan for 2001/02

1.77 The HSE Health and Safety Plan for 2001/02, agreed between the HSE Board and trade unions, sets a number of priorities:

- **DSE:** improved arrangements for DSE assessments. This includes tighter performance measures, improved training for assessors, clear procedures and information available on the Intranet to address the concerns of assessors about equipment available. Considerable reduction in outstanding assessments despite significant office moves.

- **Stress:** targeted on workload. Significant action taken over the past year by Directorates to reduce stress by managing workloads and reducing working hours particularly due to excessive travel. A HSE/TU working group set up to look at the implementation in HSE of the *Tackling work-related stress* guidance. The report produced by this working group, was submitted to, and agreed by the CHSC and HSE Board in June 2002. The report identified three priority areas for action in 2002/03:
 - Directorates to carry out risk assessments for stress;
 - to review the data on managing attendance to establish a baseline for work-related stress in HSE, and to set targets for reduction;
 - the health and safety aspects of HSE IT systems to be examined, as IT is an issue that is thought to be a significant source of stress.
- **Travel:** action taken to reduce the amount of travel, increased use of video/telephone conference facilities, restricting travel to essential business.
- **Risk assessment:** reviewed for staff working away from HSE's premises. Manual handling assessments were reviewed.
- **Back care awareness** programme and training provided.
- **Training** reviewed for staff having specific health and safety responsibilities.

1.78 In 2002/03 the priorities are:

- musculoskeletal disorders;
- stress;
- slips trips and falls;
- the health and safety of non-HSE employees where HSE have responsibility; and
- monitoring against the High Level Forum Ministerial Checklist, identifying priority areas for action. HSE will benchmark itself against the Highways Agency during 2002.

Table 34 Health and safety performance: Accident/ill health/incident reports

	April-March 2002	April-March 2001	April-March 2000
Fatal injuries	0	0	0
Major injuries	2	1	2
Over 3 day injuries	9	15	5
Minor injuries	114	102	196
Dangerous occurrences	2	0	0
Near misses	60	46	62
Verbal abuse	8	13	18
Possible asbestos exposure	4	5	0
Ill health cases	129	114	137
TOTAL	328	296	420

1.79 There were 15 RIDDOR reports during 2001/02, three of which were reported by employers of non-HSE staff. This compares with 15 last year (including two non-HSE staff). The incident rate for RIDDOR incidents is 273 per 100 000 employees. HSE estimates the total cost of the accidents/ill health to be

approximately £105 000, but believe this underestimates the cost of ill health particularly due to stress. Further work is being carried out to improve the data. There were two claims settled during the year relating to work-related accidents. No formal enforcement actions have been taken against HSE during 2001/02.

ANNEX 1 PROGRESS AGAINST MANAGEMENT PLAN 2001/04 PRIORITIES

(1) Lead and look after staff valuing their contribution and their diversity and the benefits this brings to the way we engage with stakeholders

Key priority	Action proposed and targets set	Measurement	Progress during 2001/02
Leadership			
(1.1) Help the Board and Senior Civil Service (SCS) to lead HSE as a corporate team and promote leadership at all levels.	Leadership programme developed and promoted to Directorate/Division (D/D) staff.	Findings on leadership from staff survey (SS) are reviewed in 2002 or 2003 survey.	Included in the 2002 survey. Results submitted to the Board show that there are challenges concerning leadership for HSE to address. The DG is exploring ways of improving leadership. This issue will also be included as an important element of the HSE Change Programme.
	Complete 360 degree feedback for SCS members will be completed by end of December 2001.	360 degree feedback exercise completed to time and evaluated.	The pilot exercise was successfully completed and evaluated, and the process rolled out to all SCS. Corporate report presented to HSE Board was well received and the Board agreed to repeat the exercise in 2003.
Looking after staff			
(1.2) Ensure exemplary standards of health and safety for staff.	By end of 2001/02 all managers will put in place arrangements to manage hours staff work and reduce excessive working hours and workloads.	2002 SS will be used to test progress.	SS results show an improvement in the management of work-related stress, but limited progress has been made across HSE in staff working excess hours, although the figures do show a slight reduction in the number of excess hours worked. More effort is required here and this is reflected in HSE's health and safety plan.
	By 2010, HSE will achieve the RHS targets for reductions in accidents and ill-health and civil service targets for	HSE targets for RHS met.	Targets agreed and widely publicised. CHSC will be reviewing and monitoring performance against targets.

managing absence;
achieving half the
required reductions
by 2004.

By end March 2002
will have held 11
courses, and trained
350 staff in health
and safety.

By summer 2001
there will be a
dedicated health and
safety site on the
HSE intranet.

Courses attended.
Effectiveness and
value for money
evaluated.

21 courses held, attended by 205
staff.

The dedicated health and safety site
went live in July 2001: Feedback has
been very positive.

(1.3) Provide better
recognition and
fairer rewards.

We will develop
new arrangements
for managing and
rewarding
performance and
implement these by
the end of 2002/03.

New arrangements
developed and
accepted by
stakeholders, and
implemented to
agreed cost and
quality standards.

An initial framework has been
developed to inform the setting up of
D/D-based reward panels to give non-
consolidated performance bonuses to
staff. Development is ongoing.

By April 2002 all
staff will have the
necessary
information to
decide what to do
on the introduction
of Principal Civil
Service Pension
Scheme (PCSPS)
2000.

Staff have necessary
information,
understanding will
be sampled to
confirm this.
Scheme accepted by
stakeholders and
introduced to
timescale.

Numerous activities have been
undertaken to promote awareness,
supplemented by individual factsheets
and handouts and global mail
messages. All staff have been issued
with information packs providing
personal pensions forecast
illustrations. A pensions helpline and
website have also been made
available to answer queries.

We will introduce
letters of appreciation
for staff at 25 years,
and on retirement and
special awards for
merit in service and
specialist functions.

Letters of appreciation for staff
achieving 25 years service have been
introduced, and all staff with 25 or
more years service were given one
day annual leave in recognition of
their service.

We will provide a better deal for staff who support major incident investigations.

Better deal agreed and effectiveness measured.

A cross D/D working group has been set up to investigate pay/terms and conditions of employment issues relating to staff doing out of hours working - this new project will incorporate major incident investigations.

We will complete the work on premium pay and produce guidance on premium pay by the end of 2001/02.

The premium pay study has been completed and the findings are being implemented. External consultants have met with management and TUs, they will advise on the arrangements for managing premium pay. Their report is expected in May. A document called the premium pay story, explaining the development and application of premium pay will soon be available to all staff.

Diversity

(1.4) Make HSE a truly diverse organisation and utilise the benefits this brings.

By end of 2001/02 all managers will receive diversity awareness training.

Diversity training completed to time and evaluated.

All HSE staff received a personal invitation from the DG to attend one of the 38 Personal Challenge workshops. 70% of staff attended with over 90% of these giving positive feedback.

By end of 2005 we will achieve diversity targets in modernising government programme.

Diversity targets met and effectiveness of programme evaluated.

Progress has been made towards achieving the targets.

In each of the next three years we will increase the number of recruits into HSE from ethnic minorities (EM) by 5%.

EM recruitment targets met.

Target exceeded for 2001/02. The Band 4 regulatory inspector campaign resulted in 14 ethnic candidates being appointed compared to one in each of the previous two years.

We will implement the new Race Relations Act (RRA) and relevant associated legislation in accordance with the required timetable.

RRA implemented by due date.

HSE met the 31 May 2002 compliance date for implementation of the requirements of the RRA and its orders. Analysis of our existing functions have been completed by D/Ds and a race equality scheme, including a time scaled action plan, has been drafted and was considered by the Commission and the HSE Board in early-mid May.

We will employ 24 more New Deal staff in HSE and accept 15 Windsor Fellowship placements in 2001/02.

New Deal and Windsor Fellowship Targets met.

15 Windsor Fellow Placements were achieved, 17 New Deal staff were recruited.

(2) Get the right people in the right place at the right time, building and making best use of their skills to deliver key objectives

Key priority	Action proposed and targets set	Measurement	Progress during 2001/02
Vacancy filling (2.1) Ensure quicker and easier recruitment and vacancy filling.	HSE will work to simplify and speed up recruitment processes to achieve greatest permissible reduction in time to take up post (target: two weeks/recruit, 300 - 350 new recruits).	Vacancy filling procedures are supported by all stakeholders.	451 new recruits appointed in year (highest ever annual level of recruitment). Feedback shows that procedures are supported by all stakeholders and initiatives to speed up the recruitment process such as conditional appointments pending references, have been welcomed.
		Recruitment targets are achieved.	Recruitment targets have been met with the exception of a small number of very specialised posts.
	HSE will work to cut the average time to fill internal vacancies (300 posts per year: 90% of results announced within nine weeks of advert).	Vacancy filling targets achieved.	Internal vacancy filling targets achieved, 300 vacancies advertised in year with 96% of results announced within nine weeks of advert.
		Programme evaluated.	Greater use has been made of limited waiting lists. 29 of 52 staff nominated have been successfully placed into posts. Revision to improve time to fill vacancies is ongoing but include greater use of brigaded panels.
Staff development and training (2.2) Ensure better trained and supported managers.	All staff will have a personal development plan (PDP) agreed with their line manager.	PDPs prepared to agreed quality standards.	Many PDPs have been agreed with line managers.
	Everyone who needs to will be	Targets for training managers achieved	962 HSE staff attended Essential Training for Managers (ETM)

	able to attend key effective managers modules.	and effectiveness evaluated.	modules, evaluation and early feedback has been positive.
(2.3) Help and encourage staff to develop and use their skills.	Modify the new performance management system to link development with reward by 2002/03.	Reward system in place and effectiveness measured.	An initial framework has been developed to inform the setting up of D/D-based reward panels to give non-consolidated performance bonuses to staff. This will be further developed in 2002/03.
	In 2001/02 we will obtain corporate recognition under liP.	Corporate liP status achieved.	A Corporate health check in December 2001 proved acceptable with some minor amendments, but some D/D level reassessments undertaken since have been found wanting. The way forward for corporate assessment is yet to be determined.
	A new training and development strategy to focus spend (£6 million per year) better on business needs and longer term developments will be introduced.	New training and development strategy agreed and implemented to agreed cost and quality standards.	Information gathering has begun including networking with OGDs, attending exhibitions and conferences.
	An e-learning strategy will be developed and implemented.	E-learning strategy agreed and implemented to acceptable cost and quality standards.	Work is underway to establish whether HSE's IT infrastructure meets the specification for the delivery of e-learning, the extent to which the organisation is receptive to this delivery of training, and to identify course content and material suitable for electronic delivery
(2.4) Bring on talent.	We will increase interchange postings by 50% (90 secondments and loans per year).	Targets for interchange posting and targets for Senior Professional Administration	Interchange framework including guidance developed and implemented. Take up has been slow, 7 inward, 19 outward and 11 overseas secondments/loans.

		Training Scheme (SPATS) participants met.	
	We will increase number of SPATS participants from two each year.		Increased promotion of SPATS programme saw two new joiners and one deferral.
(2.5) Provide stronger and more honest performance management.	A new performance management systems for SCS will be introduced from April 2001 and for Band 1-6, from April 2002.	New performance management system in place by due date.	SCS - Objective setting workshops held, mid-year development and end of year review training packages have been developed for Intranet access. The Pay Committee met and agreed the Committee terms of reference and the SCS Pay Strategy which have been issued to all SCS members. Workshops were held to advise on new procedures and timescales for the 2002 pay round.
			Work for the Pay Committee has involved positioning SCSs on the four pay band structure, and the JESP review panel reviewed new and existing posts to link to the new performance management arrangements.
			Band 1-6 - HSE Board agreed to postpone the introduction of the new arrangements to April 2003 to allow large-scale piloting during 2002/03. Guidance for the pilot has been agreed. Pilot system briefing and skill training sessions for 560+ pilot participants has taken place.
	15 performance management training seminars will be provided for managers.	Performance management courses provided.	A more structured approach to training has developed throughout the year and central funding secured for the training.

(3) Manage our information resources and the knowledge, expertise and experience of our staff, and apply it to our priorities efficiently and effectively

Key priority	Action proposed and targets set	Measurement	Progress during 2001/02
Information Management (3.1) Improve information management and records management in line with Freedom of Information Act requirements and e-government targets.	Establish an effective record-keeping infrastructure by summer 2002.	Record-keeping infrastructure in place and operative by due date and to acceptable cost and quality standards.	Preliminary work has been undertaken to establish a record-keeping infrastructure. A model office has been introduced as part of the work on HSE's Corporate Record Plan. A thesaurus has been created and is currently in testing and a new file tracking system, HSE's Electronic Records Management System (HERMES), has been introduced into the Central Records Unit.
	Have in place by Autumn 2001 plans for a records management team that is able to build and maintain this infrastructure.	Plans for records management team in place by due date.	The project team established to take this project forward has sampled and tested an appropriate Electronic Records Management system, which has now been installed. They have also undertaken some file plan audits to establish a model office for Records Management in the paper medium. Consolidation of paper records is underway. Internal and external audits completed.
	Meet Modernising Government (MG) electronic records management targets by December 2003.	MG electronic records management targets met.	HSE is currently reviewing the business requirement and piloting the new file tracking system.
	Deliver a records management system able to retain our current corporate information base and contribute to	Records management system meets acceptable cost and quality standards.	A project board has been set up to begin working on the business case for this system.

evidence-based
policy making by
December 2003.

Develop and deliver
staff education and
training to ensure
understanding at all
levels of the
importance of
records and record
keeping
infrastructure by
December 2003.

Staff trained to
required standards
on time.

Long term project.

Improve
functionality and
content of electronic
staff directory (eg
staff photos,
organisation charts,
staff skills and
experience pages).

Effectiveness of
staff directory
evaluated through
customer survey.

The HSE staff directory has been
improved during the year, based
mainly on feedback from Intranet
users. The new features include staff
photographs, organisation charts and
staff skills/experience pages. New
user guidance has been published and
new tools have been introduced to
make it much easier to update the
directory at any level.

Provide electronic
versions of the
administrative
forms (eg expenses,
booking travel
tickets etc).

HSE forms are being converted to e-
forms in a staged project. Phase 1
was the conversion of simple
interactive forms. This was completed
during the year. Phase 2 of the project
will develop these forms to add extra
features and functionality during
2002/03. The proposal is that this
phase will address the issue of digital
signatures, and improving
accessibility for those with
disabilities.

(3.2) Implement the
Freedom of
information Act
(FOI Act) within
HSE.

We will achieve
compliance with
FOI Act in summer
2002 and ensure
continued

Compliance with
FOI and HSE Board
policy achieved and
maintained.

FOI Act introduction now January
2005, otherwise in-year measures
achieved

compliance with FOI and the Data Protection Act, in accordance with HSE's openness policy. Contribute to Lord Chancellor's Department (LCD)'s annual report to Parliament on FOI implementation.

We will aim to receive no adverse rulings from the Information Commissioner (IC).

No adverse rulings from IC.

Achieved.

We will take part in the IC's publication scheme pilot in 2001 and finalise the HSC/E FOI publication scheme by March 2002.

FOI publication scheme prepared to time and quality standards.

Pilot publication scheme launched December 2000. The HSC/E FOI publication scheme is not now expected to be finalised until September 2002.

We will conduct an openness audit to establish a baseline for openness within HSE by April 2002 and deliver training to key staff and awareness raising to all staff from early 2002.

Staff understand need for openness and effectiveness measured through follow up audit.

Audit research progressed on schedule. Final report due July 2002.

We will report to HSC every six months and Home Office (HO) annually on openness and data protection activity.

Reports provided to acceptable time, cost and quality standards.

Report – now annual – to LCD (formerly to the Home Office) on time.

Knowledge management

(3.3) Utilise knowledge held in HSE, enable the creation of new knowledge and apply this to business objectives.

We will raise the profile of knowledge management (KM)/knowledge enabling in HSE through the creation of a KM chat room open to all staff by August and through articles in Express etc.

Staff awareness of KM to be tested by sample survey in final quarter of 2001/02.

Pilot trial undertaken for the work needed to refine the technical solution.

We will continue to learn from others through HSE corporate membership of the KM forum established by the Centre for the Exploitation of Science and Technology (CEST) KM forum.

Seek the views of the KM forum on HSE's approach to KM in 2001/02.

HSE hosted an event in January at which DG gave the keynote address.

We will roll out the All Round Knowledge Network (ARK) (a database tool for HSE staff) during 2001/02 (this will contribute to a Whitehall-wide initiative).

ARK roll out completed to cost and user specification by March 2002.

Technical specification complete. Rolled out in July 2002.

We will examine new ways of sharing knowledge, eg storytelling, intranet knowledge management discussion forum etc.

Models of new ways of sharing knowledge developed early 2002 and effectiveness evaluated.

Board presentation on storytelling has resulted in some Board members using storytelling inside and outside HSE.

We will simplify and revise our internal information and communications procedures. (Programme Board to be appointed mid-July and scoping study for projects agreed by January 2002).

Revision of communication procedures completed to acceptable time, cost and quality standards.

Survey complete, further work needed involving focus groups to inform decisions on way forward. This work has had a major influence on the thinking behind the Board's current communication strategy for the HSE change project.

We will develop a user specification for internal and external stakeholders to enable HSE data to be retrieved in a way which meets business needs. (Programme Board appointed end summer 2001 initial list of priority projects agreed December 2001).

User specification prepared to acceptable time cost and quality standards.

HSE is undertaking a fundamental business needs analysis for all its statistics involving both internal and external stakeholders. A report will be going to the Programme Board in June.

We will explore development and use of science networks with HSE and beyond to maximise the effective use of scientific knowledge.

Advisory groups and science networks in place and functioning at acceptable cost and quality standards.

A review of HSE's science and technology (S&T) expertise, led by the Chief Scientist, reported to the Board in March. In principle, it was agreed that there should be a small central team responsible for strategic S&T input into the proposed Strategic Capability and a number of dispersed topic-based teams responsible for developing topic strategies and topic input into core business (policy and operations). Work to determine the detailed roles and responsibilities, size and location of the central and dispersed topic-based teams will be

			taken forward as part of the Change in HSE Programme.
	We will map our arrangements for engaging stakeholder and sharing experience as a platform for developing future stakeholders engagement initiatives by early 2002.		A report was completed in Spring 2002 but further work will be needed to complete the map.
(3.4) Contract efficient and effective publication and helpline services	By 31 October 2001 we will retender and award new contracts, providing forward looking services, for the provision of publications, information/enquiry handling, advertising service and language services (including translating main Asian and 'emerging' European languages).	Retenders for language services, HSE Books, HSE Infoline and HSE advertising services completed to customer specification, cost, time and quality.	Following the award of the advertising contract, various innovative ideas have been adopted in advertising HSE's vacancies. All the retendering exercises were completed successfully, to time, cost and quality.
Information technology and information services (3.5) Implement the REFIT programme.	We will manage the transition from Integris and set up the REFIT arrangements with CMG/ Computacentre for 17 October 2001. We will develop the work to manage the longer term relationship in a	Projects implemented to acceptable cost and time and quality standards.	Completed. Partnership project under Service Code of Practice completed.

code of conduct by
October 2003.

(3.6) Effective
communications.

We will implement
and manage
effective internal
and external web
services.

New services
developed to
stakeholder
specifications and
implemented to
agreed time, cost
and quality
standards.

HSE internal and external web
services have been improved during
the year. Improvements include, the
introduction of a distinctive brand for
the website and Intranet, enhanced
features for HSE recruitment,
publishing of statistics in support of
the Revitalising programme, a
workers website. The improvements
were delivered to time and budget
and were evaluated by the customer.

The careers page on the HSE website
has been revised to mirror HSE's
external contracted recruitment
website. During the year there were
7500 hits to HSE/contracted website
requesting recruitment packs or
speculative enquiries and CVs for
specialised posts. 36% of the
recruitment packs issued for the Band
4 regulatory inspector campaign were
requested via the websites.

We will provide
HSE with an
integrated
communications
strategy built on the
RHS priorities, and
engaging
stakeholders.

Communications
strategy developed
and implemented to
acceptable quality
standards, costs and
timescale.

Project teams have been established
to help produce a communications
strategy and improve stakeholder
engagement for each priority
programme.

(4) Secure better business planning through integrating the management of our resources, systems and procedures to deliver high quality business objectives in an efficient and responsive way and giving value for money

Key priority	Action proposed and targets set	Measurement	Progress during 2001/2
(4.1) To achieve continuous business improvement (BI) through the application of appropriate business techniques to all our plans and practices.	We will maintain an active network of well-informed business improvement contacts throughout HSE to stimulate continuous improvement (ongoing - quarterly stocktakes).	Evidence in business improvement (BI) plan that all parts of HSE are involved in continuous improvement.	A network of contacts has been maintained. Two workshop events for BI contacts held
	We will identify cross-cutting BI priorities and opportunities, which have a strategic impact, to supplement D/D initiatives (ongoing - quarterly stocktakes).	Senior level sponsorship of two cross-cutting BI initiatives each year.	Deferred to 2002/03
	We will exploit the enhanced opportunities for business improvement that REFIT's partnership offers.	Evidence of increasing use of the REFIT partners 'client-advisory service' (CAS) to identify and exploit IT-enabled improvements.	Deferred to 2002/03
	We will apply the principles of HSE's quality framework to HSE's business.	HSE's quality principles are evident in all we do.	Knowledge and application of quality principles is increasing

We will review the effectiveness of the existing quality framework selected quality management systems and update accordingly.	Evidence that quality statements make a real difference to the quality of our outcomes.	The audit of quality should provide a baseline for us to build on. Work is ongoing.
We will carry out specific reviews to identify improvements (eg Corporate Services Review).	Reviews completed and recommendations implemented.	CSR has now reported.
We will test customer satisfaction with what we do and how we do it and respond accordingly.	Results of consultation influence plans.	REFIT in place since 17 October only; customer satisfaction will be tested after an appropriate length of time.
We will seek to secure maximum value from the procurements HSE undertakes.	Gains in procurement and transaction costs.	HSE has drafted guidance and implemented the OGC Value for Money initiative across HSE to quantify annual gains from procurement activity. HSE return for 2001/02 shows a VFM saving of £ 4 million from a spend of £45.5 million, 9%. Gains from procurement identified within OGC return and BI plan where appropriate.
We will refine planning and reporting systems to ensure they are fit for purpose and not burdensome to D/D.	Planning system reviewed in line with Bichard Principles.	Numerous workshops have been held with planning officers with a view to refining the planning and reporting systems accordingly. Agreement has almost been reached on a simplified 'template' for the Business Plan 2003/04 and operational and D/D plans, both to be placed on the Internet. The template will allow for less burdensome and more efficient reporting on progress with plans.

(4.2) To apply the business risk management framework to HSE's management of corporate risks.	We will integrate business risk management into quality management arrangements for the continuing aims.	Business risk principles applied to continuing aims and effectiveness monitored.	Ongoing.
	We will apply business risk management principles to all project management.	Projects sampled to ensure risks are accounted for and managed.	Ongoing.
	We will identify business risk owners for cross cutting risks and make arrangements to manage these efficiently.	Risk management processes audited to ensure risks are managed efficiently.	The Board adopted a risk register which identified the main risks facing HSC/E. 'Owners' for these six risks were also identified. Owners agreed to analyse these risks and identify the control systems in place; any further controls needed to adequately control identified risk also to be identified with timetable to put in place. At its meeting in July, the Board reviewed the business risk model, amended it and agreed to take forward further development work and discuss progress in the autumn.
	We will comply with the recommendations for business risk management as set out in the Turnbull Report.	Turnbull requirements met.	Current position: achieved in part.
(4.3) To complete and implement the e-government strategy.	We will prepare an e-government strategy which meets customer needs and delivers business benefits.	Projects completed to agreed cost, time and quality standards.	Work underway but now needs to take account of further proposed organisational change stemming from internal reviews.

We will make contributions to DTLR e-business strategy in January 2002 and July 2002 and every six months thereafter.

Contribution made.

We will complete and publish the HSE e-business strategy by April 2002.

Revised deadline October 2002.

We will deliver a complete programme of electronic forms for statutory notifications by 2005 and electronic records and information security by end of 2003.

On course.

We will convert all internal paper forms to interactive intelligent forms accessible to all staff by 31 December 2002.

On course.

(4.4) To integrate science and innovation with policy and operational services.

We will publish HSC/E's Science and Innovation Strategy by August 2001 and secure its implementation to deliver real change to a realistic timescale.

Publication on schedule, to acceptable cost and quality standards and effective implementation which minimises disruption.

Dr Paul Davies, in his capacity as HSE Chief Scientist, led the work to develop HSE's Science and Innovation (S&I) Strategy, which was published in October 2001.

	We will develop a quality system to secure implementation of the Chief Scientific Adviser's Guidelines on scientific advice and policy-making by December 2001.	Quality systems specifies the role and responsibilities of all parties, identifies training needs and makes provision for monitoring.	A Quality Statement to secure the effective implementation in HSE of the Chief Scientific Adviser's Guidelines 2000 on scientific advice and policy-making was agreed by the Board and published on the Intranet. Dr Davies chaired seminars in Bootle, Rose Court and Sheffield to brief staff on both this Quality Statement and the measures being taken to implement the S&I Strategy.
	We will realign research and support procurement and management systems with the Strategic Plan to ensure best fit to HSE business needs (to timetable agreed with Board in October 2001).	New management structures in place to timetable and acceptable standards.	All S&I co-ordinators in post for 1 April 2002. New S&I management system in operation from 1 April 2002. All existing projects reallocated to the new block structure. Recruitment process underway for full time project officers.
	We will develop and publish a revised Mainstream Research Document by February 2002.	New document published to timescale to acceptable cost and quality standards.	Strategic Research Outlook and supporting Research Projects Handbook published on internet February 2002, following extensive external consultation period.
	We will deliver efficiency gains from the introduction of new research management systems.	Efficiency gains achieved.	Identified efficiency gains achieved through relevant 'taxation' and re apportionment of S&I resources to D/Ds and blocks.
(4.5) To develop a Statistics Strategy and apply it to policy and	D/Ds will be asked to identify short and long term statistical needs by September	Projects completed to agreed cost, time and quality standards.	Long term statistical needs identified.

operational services. 2001 and priorities for D/Ds statistical needs for 2002/03 will be agreed by end December 2001.

By October 2001 we will redesign HSE's statistics webpage to present statistical information on injuries, work-related ill health and enforcement coherently and systematically.

By December 2001 HSE will publish a strategic statistical plan which will unite existing systems to identify statistics needs and how these will be met.

We will progressively enhance the extent to which HSE's statistical databases are available on the internet and can be interrogated by users inside and outside HSE. Some functionality will be in place by September 2002.

The webpage to present statistical information on injuries and work-related ill health was completed to time and is now available on the Internet.

Plans are advanced to produce a new colour bulletin on health and safety and enforcement statistics supplemented by detailed tables and factsheets on the website.

Work continues on enhancing the statistical database and HSE is on target to meet the functionality requirements for September 2002.

(4.6) To evaluate what works and to apply lessons learned.

All projects satisfying criteria will have evaluation and monitoring arrangements built in from an early stage.

Evaluation plans will be checked to ensure arrangements are in place.

Initial evaluation plans are being drafted by D/Ds and discussed with HSE's Economic and Statistical Analysis Unit.

ANNEX 2 OUTPUT AND PERFORMANCE ANALYSIS

Contextual indicators (the environment in which HSE carries out its work)

Rate of fatal and major injury per 100 000 workers	264.1 1998/99 (final rate)
(uprated for under reporting (RHS indicator))	263.0 1999/00 (final rate)
	261.6 2000/01 (final rate)

Output and performance measures 2001/02

		Plan	Outturn	Index (Base: 100)
AIM 1:				
To modernise and simplify legal framework, by:	introducing sets of regulations, ACOPs, CDs and new guidance documents	64	27	42.2
	introducing regulations etc on time, %	89	89	100.0
AIM 2				
Secure compliance with the law, by:	making regulatory contacts, including inspections and investigations, with employers and dutyholders	200 000	195 695	97.8
	investigating incidents/complaints (number of cases)	41 000	37 855	92.0
	complaints investigated, %	83	87.2	105.0
	events (incidents/accidents) investigated, %	9.9	8.6	86.9
	considering and processing safety cases/reports and nuclear licence action	781	610	78.1
	processing safety cases etc on time, %	86	85	99.0

	high hazard/risk workplaces visited, %	100	98	98
	inspector time on site/contact, %	80	77	96.3
AIM 3:				
Information and advice, by:	providing for purchase of/access to publicity products (free leaflets, web hits)	28m	29m	103.6
	making available a range of publicity products (titles, webpages etc)	9 639	11 206	116
	enquiries dealt with		494 413	A demand-led measure
	infoline calls answered within 15 seconds, %	85	81	95.3
	public enquiries answered within 10 days, %	100	100	100
AIM 4:				
Promote risk assessment and technological understanding by:	letting research projects/contracts	300	375	125
	completing projects to original cost, %	85	83	97.6
	research projects involving competition or external collaboration	90	81	88.8
	risk and technology policy projects	80	80	100
	risk and technical policy projects completed to time, %	76	96	126.3
AIM 5:				
Operate statutory schemes, by:	providing regulatory services, eg issuing statutory certificates	2 990	2 551	85.3
	providing regulatory services on time, %	94	96	102.1

Internal Business aim

Efficiency gains (cash and productivity) as % of total running costs	3	4.1
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AIM 6

Maintain effective central service, by:	staff payroll costs devoted to central services, %	8	6.1	
	prompt payment of invoices, %	100	98.9	98.9

Public Service Agreements

The PSA arising from the 1998 Comprehensive Spending Review included four targets for HSC/E to be achieved by 2001/02:

- **200 000 regulatory contacts by 2001/02:** The outturn was 195 695, a variance of 4305 (2.2% below target).
- **35 000 investigations of incidents and complaints by 2001/02:** HSE's outturn was 37 855.
- **3% efficiency gains in each year 1999/00 to 2001/02:** Efficiency gains equivalent to 4.1% of administrative costs exceeded the 3% year-on-year efficiency savings target.
- **8% maximum resources on central services for each year 1999-2002:** Achieved: outturn in 2001/02 is a reduction from 7% last year, to 6% this year.

The number of regulatory contacts was some 4300 below the target of 200 000. This was due to a shortfall in FOD because:

- foot and mouth disease meant that very few visits to farms were possible for most of the year and most agricultural shows, as well as safety awareness days (SADs) and blitzes, were cancelled;
- more complex investigations were carried out, each taking longer (due, for example, to the higher profile of health and safety issues, the need to spend more time with relatives of the deceased and, in particular, the need to comply with our own investigation procedure).

ANNEX 3 LEGISLATIVE PROJECTS

European projects	2001/02 planned	Position at the end of 2001/02
Implementation of the Radiation Preparedness and Public Information Regulations, to implement the emergency planning aspects of the Euratom Basic Safety Standards Directive.	Regulations to come into force 20 September 2001.	Regulations came into force September 2001.
Implementation of European Directive 2000/21/EC amending the Dangerous Substances Directive 92/32/EEC (the 7th amendment to 67/548/EEC).	Notification of New Substances Regulations 2001 is expected to come into force March 2001.	New Regulations in force as planned.
Implementation of the Chemical Agents Directive (CAD). Safety requirements to be implemented in a joint package with ATEX (Explosive Atmosphere Directive); and health requirements will be implemented through replacement COSHH and Lead Regulations. Separate implementation via Asbestos Regulations.	Issue CD. Regulations come into force late 2002. Submit asbestos regulations.	CDs published February 2002 for: Dangerous Substances and Explosive Atmospheres Regulations (DSEAR); Modernising Petrol Phase 1; and proposals to remove old celluloid and cinematographic film legislation. Regulations expected autumn 2002 CDs published 21 October 2001 (COSHH and Lead Regulations), and 21 November 2001 (Asbestos). Three sets of Regulations to be made by autumn 2002.
Implementation of first Consolidated Indicative Limit Value Directive (IOELV Directive) which introduces or revises 63 occupational exposure limits.	HSC approval Implementation 31 December 2001.	Revised Occupational Exposure Levels (OELs) for the 1st IOELV Directive were approved by HSC in September 2001 and came into effect 31 December 2001.

Implementation of the second Amendment to Carcinogens Directive.	Issue CD.	CD to be published in October 2002.
Implementation of Dangerous Preparations Directive (DPD), 1st Adaptation to Technical Progress (ATP) of DPD, 2nd amendment of Safety Data Sheets Directive and 28th ATP to Dangerous Substances Directive.	Consolidation of Classification (Hazard Information and Packaging) Regulations (CHIP) Issue CD (Summer 2001). Regulations (CHIP3) made including new Approved Supply List, Approved Classification and Labelling Guide and Revised Safety Data Sheets ACOP (Winter 2001).	Consultation delayed following later than expected EC agreements. Consultation took place Sept – Dec 2001. Despite delays implementation is still planned for July 2002.
Implementation of amendments to European Directive 94/55/EC on the Transport of Dangerous Goods by Road, and EC96/49 on Transport of Dangerous Goods by Rail.	Issue CD.	Deferred to Q4 02/03. Proposals on transport of radioactive material by rail (which implement in part EC Directive 96/49) given priority. Regulations due to be made July 2002.
Implementation of amendments to European Directive 96/49/EC on the Transport of Class 7 (Radioactives) Dangerous Goods by Rail.	Issue CD. Amending Regulations.	CD issued summer 2001. Amending Regulations due to be laid July 2002.
Regulations to implement ATEX (protection of workers potentially at risk from explosive atmospheres) Directive (Joint project with implementation of CAD - see above).	Issue CD. Submit Regulations.	See implementation of the Chemical Agents Directive above.
Enforcement Regulation for new EC Regulation on Export and Import of Dangerous Chemicals.	Issue CD.	EC proposals delayed and therefore UK regulations not required as soon as expected.
Health and Safety (Miscellaneous Modifications) Regulations 2001 (to clarify UK's implementation of Workplace, Work Equipment, Personal Protective Equipment, Display Screen and Manual Handling Directives.	Issue CD. Amending Regulations laid.	CD issued November 2001. Aim to have Regulations in force August 2002.

Implementation of Transportable Pressure Equipment Directive.	Regulations come into force July 2001.	Regulations in force July 2001.
Implementation of 2nd amendment EC Directive to the Use of Work Equipment Directive; otherwise known as the Temporary Work at Height Directive (amending Directive 89/655/EEC – UWED).	Issue CD. Submit amending Regulations.	Aim to issue CD January 2003. First draft of Regulations May 2002.
Railways High Speed Interoperability Directive (DTLR Lead, HSE will be contributing).	Implementation summer 2001.	Regulations came into force 16 May 2002.
Domestic projects	2001/02 planned	Position at the end of 2001/02
Manufacture and Storage of Explosives Regulations.	Submit Regulations.	Consultative Document published March 2002.
Amendments to the Control of Major Accident Hazards Regulations 1999 (COMAH) and REPPPIR, to extend the cost recovery for emergency planning provisions.	Issue of CD early 2001. Amending regulations coming into force mid 2001.	Now autumn 2002. Now mid 2003.
Review of Shipbuilding/Ship Repair Regulations.		The Regulations will be reviewed as a result of the DSEAR (see above) and the regulations to implement the Temporary Work at Height Directive. A number of provisions will be revoked requiring some work in 2002/03.
Review of Adventure Activities Regulations (DfES leading. HSE will be contributing).		HSC/E has contributed to review. Awaiting revised set of Regulations from DfES.
Electricity in Mines Regulations revised ACOP.	Publish ACOP.	Published October 2001.

Mines (Explosives Atmospheres etc) Regulations and ACOP.		Project reviewed. Revised objective to publish guidance on existing legislation for submission to Deep Mined Coal Industry Advisory Committee in April 2003.
Control of Explosives Regulations 2001.	Submit Regulations.	Project delayed because of other higher priority.
Respirable Dust in Coalmines.	Issue CD.	Work continues but delayed while related work to identify a suitable personal sampler for use in any personal sampling regime below ground is pursued. HSE expects to publish a CD in summer 2003/04.
Review of Docks Regulations.	Issue CD end 2001 Submit Regulations summer 2002.	Project has slipped slightly as a result of other priorities, but also to ensure its timetable coincided with that of the implementation of the Temporary Work at Heights Directive. New plan is to publish CD in spring 2003 with the intention of publishing the revised guidance, ACOP and Regulations in autumn 2003.
Dangerous goods in Harbour Regulations.	Submit Regulations spring 2001, Regulations in place autumn 2001.	Progress delayed due to higher priority legislation. Regulations now expected to be signed autumn 2002.

COSHH - amend the biological agents provisions and the supporting COSHH and biological agents ACOP.	Consult on package in spring 2001, issue amended regulations and ACOP December 2001.	CD issued (COSHH and biological agents) on 21 October 2001; results submitted to HSC July 2002. Regulations and ACOP to be made and published by the end of August 2002 and early September 2002 respectively.
Substances that cause occupational asthma.	CD responses analysed and proposals submitted to HSC. If ACOP agreed, introduced in spring 2002.	HSC agreed, in October 2001, ACOP should be annexed to new COSHH ACOP (to be published autumn 2002).
Asbestos Regulations (management of risk in workplace premises).	Submit Regulations, and publish ACOP.	CD issued on 21 November (Regulations and ACOP).
Review of Gas Safety.	Submit Regulations and publish ACOP.	The Gas Safety Review was completed in October 2000 and agreed by ministers in March 2001. Amendment of the Gas Safety Legislation to implement some of the Review recommendations are included further down this table.
Passive Smoking ACOP.	ACOP published subject to ministerial approval.	Publication of ACOP postponed; awaiting further discussions.
Harmonisation of the Safety Representative and Safety Committees Regulations 1977 and the Health and Safety (Consultation with Employees) Regulations 1996.	Issue CD. Submit Regulations.	On hold.

Review of the Factories Act 1961 and the Offices, Shops and Railway Premises Act 1963.	Issue Discussion Document (DD).	Preparatory work in hand.
Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (RIDDOR).	Issue DD.	Preparatory work in hand.
Duty to investigate workplace accidents, etc.	Submit Regulations.	Analysis of CD responses in hand.
Railway Safety Case Regulations 2001 (including amendment to Safety Case Regulations 2000).	Submit Regulations 2001 (autumn).	Regulations came into force October 2001
Amendment to Management of Health and Safety at Work Regulations.	Issue CD. Submit Regulations.	Amendments to come into effect summer 2002 to include amendment relating to marine/shore interface.
Amendment of the Health and Safety at Work etc. Act (application outside GB) Order 1995.	Order amended, expected to come in to force summer 2001.	Order came in to force July 2001.
Review of the Quarries Electricity ACOP.	Publish CD.	Draft guidance publication submitted to Quarries Joint National Advisory Committee.
Pipelines Safety (Amendment) Regulations.	Issue CD mid to late 2001.	Now late 2002. Regulations to come into force early 2003.
Revision of the Construction (Design and Management) Regulations and CD.	Publish revised ACOP.	The revised ACOP was published in December 2001 and came into force on 1 February 2002.
Construction (Health, Safety and Welfare) Regulations 1996		A DD will be published on the way forward for construction health and safety in autumn 2002 followed by a CD on CDM and CHSW in Q2 2003/04.

Review of Preventing Accidents to Children in Agriculture Regulations	Issue CD.	Overtaken by events. HSC/E are working with DEFRA on new initiatives for the Agriculture sector and this work will form part of those initiatives.
Workplace (Health, Safety and Welfare) Regulations 1992.	Issue CD mid 2001	HSE has in place an outline of the proposed changes and will shortly be consulting informally with key stakeholders on their suitability.
Amendment of Gas Safety (Management) Regulations 1996.	Issue CD spring 2001, submit Regulations, publish guidance winter 2001.	A number of reasons eg ministerial considerations work have led to a revised timetable: Issue CD winter 2002. Submit Regulations spring 2003 publish guidance.
Amendment of Gas Safety (Installations and Use) Regulations 1998.	Issue CD spring 2001, submit Regulations winter 2001, publish ACOP and guidance.	A number of reasons eg ministerial considerations have led to a revised timetable: issue CD winter 2002, submit Regulations spring 2003, publish ACOP and guidance.
Amendment of Offshore Installations (Management and Administration) Regulations 1995.	Issue consultation package spring 2002. Amending Regulations come into force in summer.	Consultation complete. Draft Offshore Safety (Miscellaneous Amendments) Regulations to be submitted to HSC May 2002.

ANNEX 4 EUROPEAN LEGISLATIVE ACTIVITY

Adaptation to Technical Progress (ATP) of the **Dangerous Preparations and Safety Data Sheets Directives**, was adopted summer 2001 and is implemented by CHIP 3 Regulations.

Continuing negotiations on the **Dangerous Substances Directive**, 29th - ATP no date set for final agreement.

Asbestos: EU proposals for amendments to the Worker Protection Directive under discussion, agreement possible mid 2002. Input made to detailed discussions in Social Questions Working Group, and on a briefing to MEPs on European Parliament debate. Rapid progress being made under Spanish Presidency.

Proposals for a European Parliament and Council Directive on **Physical Agents (Vibration)**. Common position reached 25 June 2001. Likely to be adopted late spring 2002 with an implementation date of 2005. CD expected autumn 2003.

Proposal for a European Parliament and Council Directive on **Physical Agents (Noise)** Common position reached 29 October 2001. Likely to be adopted autumn 2002 with an implementation date of 2005. CD expected end 2003.

Anticipated Directive on **Pipelines**, decision unlikely before early 2003.

Proposal to amend **Marketing and Use Directive** azodyes - negotiations to be completed 2002, proposals on cement expected 2002.

Proposal to replace Regulations on **Export and Import of Dangerous Chemicals** to implement Rotterdam Convention on Prior Informed Consent. Negotiations to continue 2002.

Proposal for Review Regulation on **Biocidal Products** - discussion on adoption of second Review Regulation.

Proposal for a Directive on **inter-operability of conventional rail systems** - DfT lead. Adopted as a formal proposal in 2001 - implementation expected March 2003.

Proposal for a third Amendment to the **Machinery Directive** - DTI lead. EC proposals published January 2001; Directive still under negotiation.

Proposal for an **EU Chemical Strategy** - White Paper published February 2001. Commission detailed proposal expected 2002 with negotiations to continue during the year.

Proposal for a Commission Directive on a second list of **Indicative Occupational Exposure Limit Values**. 26 substances. Another 16 substances likely to be added. Negotiations will continue during 2002. Possible adoption 2003.

Amendments to the **Transport of Dangerous Goods by Rail Directive 96/49**. DfT lead. Implementation 2003.

The aspect of the Directive which relates to the transport of radioactive material by rail was given priority because of the earlier implementation deadline than other requirements. Regulations made in August 2002.

Amendments to the **Transport of Dangerous Goods by Road Directive 94/55**. DfT lead. Implementation 2003.

Amendments to **UN Model Regulations on the Transport of Dangerous Goods**. DfT lead. Complete 2002.

Proposal for an **EC Amendment to the COMAH Regulations 1999 under SEVESO Directive (96/82/EC)**. Proposals still under negotiation, Common Position expected in 2002.

ANNEX 5 HSC ADVISORY COMMITTEES

The Health and Safety Commission has 15 Industry Advisory Committees and eight Subject Advisory Committees as listed below:

Industry Advisory Committees

Adventure activities
Agriculture
Ceramics
Construction
Deep mined coal
Foundries
Health services
Higher and Further Education
Offshore
Paper and Board
Printing
Railways
Rubber
Schools Education
Textiles

Subject Advisory Committees

Dangerous pathogens*
Dangerous substances
Genetic modification
Ionising radiations
Occupational health
Nuclear safety
Toxic substances
Biocides Consultative Committee**

*Dangerous Pathogens: - The Advisory Committee on Dangerous Pathogens (ACDP) is no longer viewed as an HSC Advisory committee. Due to its broad terms of reference, and the fact that all government departments with an interest in biological agents are represented on ACDP (eg DEFRA, FSA, DoH and the devolved administrations), ACDP is now classed a pan-government committee since 20 November 2001.

**The Biocides Consultative Committee held a training event for members in May 2001 and had their inaugural meeting in October 2001.

Other committees

Health and Safety Executive and Local Authorities Enforcement Liaison Committee (HELA)

When committees produce and publish guidance they do so with the Commission's endorsement. Subject Advisory Committees allow the Commission to take views on difficult issues, typically of cross-departmental interest. They provide formal consultation mechanisms in areas of high public and political sensitivity, such as genetic modification; and the involvement of outside experts helps give legitimacy to their, and to the Commission's activities. They also act as a sounding board for HSE proposals.

HSC's Advisory Committees encourage the joint participation of all representative organisations in the improvement of health and safety at work; draw on the expertise and advice available on both sides of industry and elsewhere; give the problems of particular industries closer and more detailed attention than the

Commission itself is able to do; and allow an industry focus on general issues (such as noise and COSHH).

HSC also takes advice from HELA, which seeks to ensure consistency of approach among local authorities and HSE.

In 2001/02 work of the advisory committees was wide-ranging and included: the publication of new guidance and discussion documents; consultation on and monitoring of priority programmes; holding open meetings with audience question and answer sessions and conferences; consideration of proposed legislation; revision and review of guidance; establishing working groups to take forward various initiatives; taking forward action plans to reduce accidents in the various industries.

The agendas, papers and minutes of the HSC's advisory committees (and sub-committees) are published on the Internet as well as summaries of open meetings. These can be found on <http://www.hse.gov.uk/action/index.htm>.

ANNEX 6 SELECTED HSE PUBLICATIONS

Railway Safety – HM Chief Inspectorate of Railways' Annual Report on the safety record of the railways in Great Britain during 2000/01 HSE Books 2001 ISBN 0 7176 2126 X

Revitalising Health and Safety Strategy Statement DTLR 2000 available on the HSE website at <http://www.hse.gov.uk/revitalising/strategy.pdf>

Securing health together: A long-term occupational health strategy for England, Scotland and Wales Booklet MISC225 HSE Books 2000

Health and Safety Commission Annual Report and Health and Safety Commission/Executive Accounts 2000/01 The Stationery Office 2001 ISBN 0 10 291307 2 available from HSE Books

Health and Safety Statistics 2000/01 HSE Books 2001 ISBN 0 7176 2110 3

Health and Safety Commission: Strategic plan 2001-04 Booklet MISC319 HSE Books 2001

Health and Safety Commission: Strategic plan 2001-04 - Summary Booklet MISC319a HSE Books 2001

Highlights from the Health and Safety Commission Annual Report and the Health and Safety Commission/Executive Accounts 2000/01 Booklet MISC422 HSE Books 2001 also available on the HSE website at <http://www.hse.gov.uk/action/content/annual.htm>

Health and Safety Commission: Business plan 2002/03 Booklet MISC458 HSE Books 2002

Railway safety statistics bulletin 2000/01 Statistics Bulletin MISC408 HSE Books 2001 also available on the HSE website at <http://www.hse.gov.uk/railway/rsb0001.pdf>

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Part 2

**Health and Safety Commission accounts
and Health and Safety Executive accounts
2001/02**

FOREWORD

1 Background information

The Health and Safety at Work etc Act 1974 provided for the creation of a Health and Safety Commission (HSC) and Health and Safety Executive (HSE) and the continuation of the Employment Medical Advisory Service. The Commission came into being on 1 October 1974 and appointed the Health and Safety Executive on 1 January 1975. The aims of the Commission and the Executive, whose existence and functions derive from the 1974 Act, are to protect the health, safety and welfare of employees and to safeguard others, principally the public, who may be exposed to risks from work activities. For further information refer to paragraphs 1.1 to 1.79 of the Annual Report.

The financial statements of the Commission and Executive have been prepared pursuant to paragraphs 14(1) and 20(1) of Schedule 2 of the Health and Safety at Work etc Act 1974 in a form determined by the Secretary of State with the approval of the Treasury. They are accruals-based financial statements that show the full in-year costs of the Commission and Executive.

2 Results and appropriations

The total grant-in-aid received by the Commission was £203 500 000 and after operating costs of £605 218 the balance of £202 894 782 was passed to the Executive. The net resource operating cost of the Executive was £202 695 959.

Income is recognised when earned and expenditure when incurred.

Income earned but required to be paid over to DTLR (Request for Resources 4) is shown in Schedule 4.

3 Review of activities

The strategic themes and continuing aims for 2001/02 of the HSC and HSE are reviewed in Sections 1 and 2 of the Annual Report.

4 Market value of land and buildings

The leasehold property at Priestly House, Basingstoke was independently valued in 2001/02 by Weatheralls, Chartered Surveyors. The leasehold property at St Hugh's, Bootle was independently valued in 2001/02 by Donaldsons, Chartered Surveyors. These leases have been classified as operating leases (refer accounting policy note m) but are deemed to have a market value of £350 000 and £339 000 respectively. The leasehold building at Stoneleigh, which has an existing use value of £225 000 has an open market value of nil due to the strict user clause and the bar on assignment and subletting. Other than these properties, there is no significant difference between the book values and the market values of land and buildings included in these accounts.

5 Research and development

HSE's research and development and technical support are detailed in Table 26 in the Annual Report.

6 Future development

The Commission's and Executive's continuing aims and strategic themes for 2001/02 were set out in the Health and Safety Commission's three year Strategic Plan published in October 2001.

7 Health and Safety Commission members

Chairman: Bill Callaghan.

Other members: George Brumwell, Margaret Burns, Abdul Chowdry, Judith Donovan CBE, Joyce Edmond-Smith, Sonny Hamid, Rex Symons CBE, Maureen Rooney OBE and Owen Tudor.

8 Health and Safety Executive members

Director General: Timothy Walker.

Other members: Kate Timms and Richard Hillier.

9 Corporate Governance

HSC and HSE are committed to supporting the Combined Code on Corporate Governance and the Turnbull Report to the extent that the Code can be applied to the public sector.

HSC, ('the Commission'), comprises a Chairman and nine members who are all the equivalent of independent non-executive directors. They are appointed on a fixed term basis (see note 3 in the HSC accounts and note 2 in the HSE accounts) with no automatic right of reappointment. The appointments are made by the Secretary of State through standard civil service procedures. Commission members are appointed after consultation with organisations representing employers, employees, local authorities and other relevant bodies.

HSE, ('the Executive'), comprises a Director General and two other members who are all the equivalent of executive directors (see xii-xiii of the Annual Report). All three members of the Executive are appointed by the Commission with approval of the Secretary of State. The Director General appointment is subject to open competition. The remuneration of the Executive members is arrived at by reference to the Civil Service annual pay review.

The general functions of the Commission and the Executive are specified in the Health and Safety at Work etc Act 1974, the Executive being primarily responsible for operational matters. Each of the Boards meets regularly to discuss strategic direction and plans, formulate policy on key issues etc in order to maintain full and effective control over all significant policy, regulation and guidance, compliance, organisational and financial issues.

Throughout the year and in all material respects, the Executive complied with the terms of the financial memorandum issued by the Secretary of State for Transport, Local Government and the Regions.

A separate statement is made on the system of internal control.

10 Equality and diversity

The Executive is an Equal Opportunities Employer with a determination to treat all people fairly, irrespective of gender, ethnic origin, marital status, religious belief, age, sexual orientation or disability. Details of the Executive's Diversity Action Plan are shown in paragraph 1.56 of the Annual Report.

11 Employee involvement

There are well-established consultation arrangements in HSE for recognised trade unions to contribute to all matters affecting the staff. Staff involvement is actively encouraged as part of day-to-day line management and continuous efforts are being made to improve methods and channels of communication, and in addition to formal consultations with HSE trade unions, staff are directly consulted and briefed about major proposals for organisational or personnel changes. Further details are shown in paragraph 1.70 of the Annual Report.

12 Prompt payments

HSE is committed to the prompt payment of bills for goods and services received and conforms to the principles of the Better Payment Practice Code, issued by the Better Payment Practice Group. Payments are normally made as specified in the contract. If there is no contractual provision, or other understanding, payment is due to be made within 30 days of the receipt of the goods or services or presentation of a valid invoice or similar demand, whichever is later. HSE's overall performance during 2001/02 was 98.9% (2000/01 98.4%) of invoices paid within the agreed credit period.

13 Health and safety within HSE

The Executive aims to set and maintain exemplary standards of performance so as to ensure the health and safety of its staff, as well as others who may work on or visit its premises. Further details are shown in paragraphs 1.74 to 1.79 of the Annual Report.

14 Environment

HSE has continued to pursue and promote best environmental practice and to implement initiatives set out in the model policy statement issued by the Department of the Environment, Food and Rural Affairs (DEFRA). Further details are shown in paragraph 1.65 of the Annual Report.

15 Introduction of the euro

Introduction of the euro on 1 January 1999 in 11 of the 15 EU countries has had no significant effect on HSE.

While the UK stays outside EMU, the euro is a foreign currency and we process a relatively small number of foreign currency (European) transactions. HSE continues to manage preparations necessary for possible changeover to the single currency, in line with the Second National Changeover Plan.

16 Post balance sheet events

In April 2002, the DTLR signed a Private Finance Initiative contract with the consortium Investors in the Community (Buxton) Ltd (ICB). The contract provides for the design and construction of a new building at Health and Safety Laboratory's (HSL) present site at Buxton, comprising laboratories and office accommodation. A number of existing buildings at Buxton will be demolished, some in 2002/03, to provide space for the new building, and some following completion of the new building, scheduled for late 2004.

The contract also provides for the maintenance of the new building and some of the retained existing buildings at Buxton, and for other services for a 30 year period following availability of the new building. There are also arrangements for ICB to take on responsibility for some operational services (eg IT support and facilities management) prior to the availability of the new building. The contract also allows for the transfer of most of

HSL's existing Sheffield buildings to ICB after HSL has located all its activities at Buxton, scheduled for early in 2005.

The leases for most of HSE's current buildings in Bootle, Merseyside will expire over the next few years. As part of the procurement process to secure long-term serviced accommodation a Private Finance Initiative option is being pursued. Approval of the outline business case for this project has been obtained from DTLR. The pre-qualification stage of the process has now been completed. A short list of consortia has been selected and detailed bids are being evaluated.

An announcement has been made that Electrical Equipment Certification Service (EECS), based in Buxton is to close by the end of June 2003. HSE's view is that EECS's activities are not central to its core functions. EECS is also subject to increasing private sector competition from other providers of certification in this field. The decision has been taken against a background of a worsening financial outturn. A provision has been made for committed staff costs up to the end of March 2002. (Refer to Note 15.)

17 Auditors

The financial statements of the Commission and Executive are audited under Schedule 2 paragraph 14(2) and 20 of the Health and Safety at Work etc Act 1974 by the Comptroller and Auditor General.

Timothy Walker

Director General
Health and Safety Executive
Accounting Officer
1st October 2002

Bill Callaghan

Chairman
Health and Safety Commission
Accounting Officer
1st October 2002

STATEMENT OF THE COMMISSION'S, THE EXECUTIVE'S, THE CHAIRMAN'S AND DIRECTOR GENERAL'S RESPONSIBILITIES

Under paragraphs 14(1) and 20(1) of Schedule 2 of the Health and Safety at Work etc Act 1974 the Health and Safety Commission and the Health and Safety Executive are required to prepare a statement of accounts for each financial year in the form and on the basis determined by the Secretary of State, with the consent of the Treasury as set out in the accounts directions at Appendix A and B to these financial statements. The accounts are prepared on an accruals basis and must give a true and fair view of the Commission's and the Executive's state of affairs at the year-end and of their resource outturn and cash flows for the financial year.

In preparing their accounts the Commission and Executive are required to:

- observe the accounts directions issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Commission and the Executive will continue in operation.

The Accounting Officer for the Department of the Environment, Transport and the Regions has designated the Chairman of the Health and Safety Commission and the Director General of the Health and Safety Executive as Accounting Officers for the Commission and Executive respectively. Their relevant responsibilities as Accounting Officers, including their responsibilities for the propriety and regularity of the public finances for which they are answerable and for the keeping of proper records are set out in the Non-Departmental Public Bodies' Accounting Officer Memorandum, issued by the Treasury and published in Government Accounting.

Timothy Walker

Director General, Health and Safety Executive

Accounting Officer

1st October 2002

Bill Callaghan

Chairman, Health and Safety Commission

Accounting Officer

1st October 2002

STATEMENT ON INTERNAL CONTROL

As Accounting Officers (for the Health and Safety Commission (HSC), the Chairman, and for the Health and Safety Executive (HSE), the Director General), we have responsibility for maintaining a sound system of internal control that supports the achievement of the HSC's and the HSE's policies, aims, objectives and strategic themes agreed with the department's Ministers, whilst safeguarding the public funds and departmental assets for which we are personally responsible, in accordance with the responsibilities assigned to us in Government Accounting.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims, objectives and strategic themes, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. It can therefore provide only reasonable and not absolute assurance of effectiveness.

We expect to have the procedures in place by March 2003 necessary to make a fully compliant statement in the 2003/04 accounts, thus implementing Treasury guidance. This takes account of the time needed to fully embed the processes which have been agreed should be implemented and to improve their robustness.

Strategy for securing health and safety in relation to work activities is set by HSC with input and support from HSE. Long-term strategy is set out in *Securing Health Together* and *Revitalising Health and Safety* both of which were published in 2000. These are supplemented by a Strategic Plan covering the three-year period from April 2001 to March 2004. Together these documents set out the aims and objectives for HSC/E for this period. In contrast with earlier planning there is much greater emphasis in these documents on outcomes.

The approach being taken to business risk management described here is taking place against a process of change in HSE. It has identified the need to improve its strategic planning capacity. A Change Programme is under development with the aim of enhancing the strategic capacity of the organisation and promoting an approach to achieving targets that is innovative and flexible. This is expected to be in place before the end of 2002.

The HSE Board, that meets formally once a month, has overall responsibility for the system of internal control including implementing systems of control and monitoring and reviewing their effectiveness. The Board has agreed the strategic risks faced by HSE and has identified their owners, who are undertaking an analysis of the control mechanisms in place. Six generic risks have been identified:

- strategic failure;
- organisational capacity failure;
- stakeholder management failure;
- delivery and quality failure;
- financial failure;
- human resource management failure.

25 more specific risks were also identified under the six generic headings.

The Board has agreed that it will review the specific risks six monthly and the generic risks biennially.

The systems of internal control operate through HSE's existing management structure. All major projects (eg for new regulations) are subject to approval by the HSE Board and agreement by HSC and ministers. There is also in operation an annual planning process that is designed to plan and agree allocations of resource in the light of the strategic aims of HSC/E.

Corporate policies cover a wide range of issues including personnel matters, planning, finance, accounting, procurement, information technology, and regularity, propriety and authorisation of expenditure. All are communicated throughout the organisation and are set out in codes or other instructions available to all staff. Use of resources is subject to clear delegation from HSE's accounting officer to individual senior managers and is specified and agreed in writing. It is monitored in the year and the Board receives monthly reports of expenditure and income against forecasts. Formal project management techniques are used for the planning and delivery of all major projects.

HSE and HSL have Internal Audit units, who have direct access to their respective accounting officers and operate to the Government Internal Audit Standards. Their work plans are approved by their audit committees to whom they also submit regular reports, which include an opinion on the adequacy and effectiveness of the system of internal control, together with recommendations for improvement. The overall risk management arrangements are being developed in consultation with Internal Audit and will be subject to regular review by them. Internal Audit will also continue to focus their future work programmes on testing the adequacy and effectiveness of the systems of internal control in HSE and HSL.

Our review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the senior managers who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. The overall opinion of the Head of Internal Audit is that HSC/E has a generally sound framework of control which provides reasonable assurance regarding the effective and efficient achievements of its objectives.

The arrangements in place for managing risks have been reviewed by a major firm of consultants to establish their fitness for purpose. They have concluded that '...the risk framework currently being developed by the Board meets most of these criteria' [for a successful framework for risk management]. In particular the report recognises that the HSE Board has sought to keep arrangements simple.

The HSE Board is committed to further development of its internal control structure in line with its process of change management described above. It is also committed to supporting initiatives from Government and to monitoring progress on the implementation of best practice recommendations tailored to HSC/E's aims and objectives.

Timothy Walker

Director General
Health and Safety Executive
Accounting Officer
1st October 2002

Bill Callaghan

Chairman
Health and Safety Commission
Accounting Officer
1st October 2002

HEALTH AND SAFETY COMMISSION THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

I certify that I have audited the financial statements on pages 166 to 171 under the Health and Safety at Work etc Act 1974. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 168.

Respective responsibilities of the Commission, Chairman, and Auditor

As described on page 160, the Chairman of the Health and Safety Commission is responsible for the preparation of the financial statements and for ensuring the regularity of financial transactions under the Health and Safety at Work etc Act 1974 and directions made thereunder by the Secretary of State and for ensuring the regularity of financial transactions. The Chairman and the Director General of the Health and Safety Executive are jointly responsible for the preparation of the other contents of the Annual Report. My responsibilities, as independent auditor, are guided by the Auditing Practices Board and the auditing profession's ethical guidance.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Health and Safety at Work etc Act 1974 and directions made thereunder by the Secretary of State, and whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. I also report if, in my opinion, the Foreword is not consistent with the financial statements, if the Commission has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. I consider the implications for my certificate if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

I review whether the joint statement on pages 161 to 163 reflects the Commission's compliance with Treasury's guidance *Corporate governance: statement on the system of internal control*. I report if it does not meet the requirements specified by Treasury, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements.

Basis of audit opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Chairman in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Commission's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by error, or by fraud or other irregularity and that, in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion:

- the financial statements give a true and fair view of the state of affairs of the Health and Safety Commission at 31 March 2002 and of the amount transferred to the Health and Safety Executive and have been properly prepared in accordance with the Health and Safety at Work etc Act 1974 and with the directions made thereunder by the Secretary of State; and
- in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.

John Bourn

Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
London SW1W 9SP
28th October 2002

SCHEDULE I **HEALTH AND SAFETY COMMISSION: SUMMARY OF** **RESOURCES OUTTURN 2001/02**

	Estimate Net Expenditure	Outturn Net Expenditure	Net total Outturn compared with Estimate saving/(excess)	Prior-year Outturn
	1 £'000	2 £'000	3 £'000	4 £'000
Request for resources - Health and Safety Commission	605	605	-	611
Request for resources - Health and Safety Executive	201 440	202 696	(1 256)	190 075
Net Resources Outturn see note	202 045	203 304	(1 259)	193 108
Net Cash Requirement	209 908	199 849	10 059	189 042
Reconciliation of Resources to Cash Requirement		£'000		
Net Total Resources		203 304		
Funding of Health and Safety Executive		202 699		
Net Cash Requirement		605		

Explanation of the variation between Estimate and Outturn:

Grant-in-Aid is received on a combined basis for HSC and HSE. Any variance is allocated to HSE and is explained in their account (refer pages 174 to 196).

(a) **Actual outturn – resources**

Net Resource Outturn (HSC and HSE): Actual amount net resource outturn is £203 304 748.26, which is £1 259 748.26 more than estimate. (HSE only figures are detailed in their account).

(b) **Actual outturn – cash**

Net cash requirement: Outturn net requirement for HSC and HSE is £199 849 206.03 (HSE only figures are detailed in their account). Actual amount of savings over estimate is £10 058 793.97.

SCHEDULE 2
HEALTH AND SAFETY COMMISSION: OPERATING COST
STATEMENT FOR THE YEAR ENDED 31 MARCH 2002

	Notes	*2001/02 £'000	2000/01 £'000
Administration Costs			
Staff costs	3	387	336
Other administration costs	4	<u>218</u>	<u>275</u>
Gross administration costs		<u>605</u>	<u>611</u>
Operating income		-	-
Net operating costs		<u>605</u>	<u>611</u>

All income and expenditure are derived from continuing operations.

There are no material balances as at 31 March 2002 and a balance sheet has, therefore, not been prepared.

The notes on pages 168 to 171 form part of this account.

Bill Callaghan

Chairman

Health and Safety Commission

Accounting Officer

1st October 2002

HEALTH AND SAFETY COMMISSION: NOTES TO THE ACCOUNTS

1 Statement of accounting policies

The financial statements have been prepared in accordance with the 2001/02 Resource Accounting Manual (RAM) issued by HM Treasury. The particular accounting policies adopted by HSC are described below. They have been applied consistently in dealing with the items considered material in relation to the accounts.

(a) Accounts directions

In accordance with accounts directions issued by the Secretary of State with the approval of the Treasury, the Health and Safety Commission and Health and Safety Executive have prepared a joint Foreword and separate Summary of Resource Outturn (Schedule 1) and Operating Cost Statements (Schedule 2). The assets and liabilities of HSC, are included in the HSE Balance Sheet (Schedule 3) and are not material in value (See Note 2 Grant-in-Aid).

(b) Accounting convention

Consolidated accounts have not been prepared, with the agreement of HM Treasury and National Audit Office, on the basis that there is a statutory requirement to produce separate accounts for HSC and HSE and it would be administratively burdensome and provide no additional information for the reader of the accounts.

(c) Pension costs

The current Chairman is not a member of the Principal Civil Service Pension Scheme (PCSPS) but arrangements exist whereby HSE make pension payments analogous to those that would have been made if he had been a member of the PCSPS and are payable out of the current year's funds that are made available.

The appointment of Commission members is non-pensionable.

The employees of HSC, other than the Chairman and Commission members, are civil servants to whom the conditions of the Superannuation Acts 1965 and 1972 and subsequent amendments apply. The staff are covered by the PCSPS which is a non-contributory scheme. The rate of the employer's contribution is determined by the Government Actuary and advised by the Treasury and is charged to the Operating Cost Statement. For 2001/02 the rates of superannuation for non-industrial staff apply according to grade at 12%, 13.5%, 16.5% and 18.5%.

In addition, HSC operates an Early Retirement Scheme that gives retirement benefits to certain qualifying employees. These benefits conform to the rules of the PCSPS. HSC/E bear the costs of these benefits until the normal retiring age of the employees who have retired under the Early Retirement Scheme.

The total pensions liability up to retiring age of each employee is charged to the Operating Cost Statement in the year in which the employee takes early retirement.

2 Grant-in-aid

Pursuant to section 43 of the Health and Safety at Work etc Act 1974, the Commission is financed by grant-in-aid from the Department for Transport, Local Government and the Regions (Request for Resources 4).

The total grant-in-aid received by HSC from the Department for Transport, Local Government and the Regions for the financial year 2001/02 was £203 500 000 and after deducting £386 658 for staff costs and £218 560 for other operating charges, the sum of £202 894 782 was allocated to HSE. These transactions pass through Reserves in the Balance Sheet but produce a nil value in HSC.

	£'000
Opening General Fund 1/4/2001	NIL
Net Parliamentary Funding	203 500
Net Operating Cost	605
Transfer to HSE	202 895
Closing General Fund 31/3/02	NIL

3 Expenditure of the Health and Safety Commission

Staff Number and Costs:

	2001/02 £'000	2000/01 £'000
(a) Staff costs of the Health and Safety Commission		
Wages and salaries	283	269
Social Security costs	23	22
Other pension costs	56	19
Pension paid to former Chairmen	25	26
	<u>387</u>	<u>336</u>

(b) The average number of employees during the year of the account, other than the Chairman and Commission members was made up as follows:	2001/02 No	2000/01 No
Non-specialist staff	6	6

(c)	Emoluments of the Chairman:	2001/02			2000/01
		Salary	Other taxable benefits	Total	Total
		£'000	£'000	£'000	£'000
	Bill Callaghan	90-95	-	90-95	90-95

	Age	Increase in pension at 60	Total accrued pension at 60 at 31/03/2002
		£'000	£'000
Bill Callaghan	53	0-2.5	0-5

Note:

No Commission members, other than the Chairman, have pensions.

(d)	Emoluments of the Commission members:			2001/02	2000/01
	Salary	Fees	Other taxable benefits	Total	Total
	£	£	£	£	£
George Brumwell	1 408	2 730	-	4 138	4 605
Margaret Burns	1 408	5 114	6 442	12 964	13 724
Abdul Chowdry	1 408	5 167	4 359	10 934	10 340
Judith Donovan CBE	1 408	4 649	2 409	8 466	5 738
Joyce Edmond-Smith	1 408	7 598	372	9 378	8 961
Anne Gibson	-	-	-	-	2 040
Sonny Hamid	1 408	5 083	1 450	7 941	7 864
Michael McKiernan	-	-	-	-	2 886
Maureen Rooney OBE	1 408	2 650	-	4 058	2 134
Rex Symons CBE	1 408	3 815	961	6 184	8 431
Owen Tudor	1 408	5 967	-	7 375	6 251
	<u>12 672</u>	<u>42 773</u>	<u>15 993</u>	<u>71 438</u>	<u>72 974</u>

Notes:

Other taxable benefits for Commission members include mileage and an accommodation allowance, as appropriate. Any ensuing tax liability is met by HSC.

The Chairman and Commission members are appointed for a fixed term of up to three years. The Chairman is part-time, working four days a week. If the Chairman or a member leaves the Commission other than on the expiry of their term of office, and it appears to the Secretary of State that there are special circumstances that justify the payment of compensation, a payment can be made as determined by the Secretary of State with Treasury approval.

4 Other administration costs of the Health and Safety Commission

	2001/02 £'000	2000/01 £'000
General administrative expenses	89	156
Travel, subsistence and hospitality for: Chairman, Commission members and support staff (see note below)	71	61
Rent, rates, maintenance and other premises costs	58	58
	<u>218</u>	<u>275</u>

Note:

Travel, subsistence and hospitality expenses for the Chairman and Commission members was £64 779 (2000/01 £52 356), whilst the total for the support staff was £6 441 (2000/01 £8 602).

5 Related party transactions

The Health and Safety Commission is an Executive Non-Departmental Public Body with Crown status and is sponsored by the Department for Transport Local Government and the Regions (DTLR).

DTLR is regarded as a related party. During the year, HSC did not have any material transactions with DTLR or other entities for which DTLR is regarded as the parent Department.

None of the Commission members or any persons connected with them have any interest in any material transactions with HSC/E or received benefits from their suppliers during the year.

HEALTH AND SAFETY EXECUTIVE THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

I certify that I have audited the financial statements on pages 174 to 196 under the Health and Safety at Work etc Act 1974. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 179 to 182.

Respective responsibilities of the Executive, Director General and Auditor

As described on page 160 the Director General of HSE is responsible for the preparation of the financial statements under the Health and Safety at Work etc Act 1974 and directions made thereunder by the Secretary of State and for ensuring the regularity of financial transactions. The Director General and the Chairman of HSC are jointly responsible for the preparation of the other contents of the Annual Report. My responsibilities, as independent auditor, are guided by the Auditing Practices Board and the auditing profession's ethical guidance.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Health and Safety at Work etc Act 1974 and directions made thereunder by the Secretary of State, and whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. I also report if, in my opinion, the Foreword is not consistent with the financial statements, if the Executive has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. I consider the implications for my certificate if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

I review whether the joint statement on pages 161 to 163 reflects the Executive's compliance with Treasury's guidance *Corporate governance: statement on the system of internal control*. I report if it does not meet the requirements specified by Treasury, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements.

Basis of audit opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Director General in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Executive's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by error, or by fraud or other irregularity and that, in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion:

- the financial statements give a true and fair view of the state of affairs of the Health and Safety Executive at 31 March 2002 and of the Net Resource Outturn, resources applied to objectives, recognised gains and losses and cash flows for the year ended and have been properly prepared in accordance with the Health and Safety at Work etc Act 1974 and the directions made thereunder by the Secretary of State; and
- in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.

John Bourn

Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
London SW1W 9SP
28th October 2002

SCHEDULE I **HEALTH AND SAFETY EXECUTIVE:** **SUMMARY OF RESOURCES OUTTURN 2001/02**

	Estimate Net Expenditure	Outturn Net Expenditure	Net total Outturn compared with Estimated saving/(excess)	Prior-year Outturn
	1 £'000	2 £'000	3 £'000	4 £'000
Net Operating Cost	201 440	202 696	(1 256)	190 075
Net Resource Outturn see note below	201 440	202 699	(1 259)	192 497
Net Cash Requirement	209 303	199 244	10 059	188 431
Reconciliation of Resources to Cash Requirement	Note	£'000		
Net Total Resources		202 699		
Capital:				
Purchase of fixed assets	9	7 682		
Proceeds of disposal of fixed assets		(1 277)		
Accruals adjustments:				
Non-cash items		(17 603)		
Changes in working capital other than cash	10	6 654		
Change in creditors over one year		17		
Transfer from provision	15	1 072		
Net Cash Requirement (Schedule 4)		199 244		

Explanation of the variation between estimate and outturn:

The negative variance shown against the Net Resource Outturn was due to the loss on disposal of fixed assets and closure costs of EECS which were not provided for in the Estimate. The variance has been balanced by an agreed transfer of provision within the overall DTLR limit.

Note: Analysis of income payable to the Department for Transport, Local Government and the Regions

As a Non-Departmental Public Body, HSE retains income generated in order to fund its activities. By agreement with DTLR, certain income is paid over to the Department for surrender to the Consolidated Fund. Amounts payable in 2001/02 were £3572 of which £644 was outstanding at 31 March 2002. Amounts paid in 2001/02 were £978 533 of which £975 605 related to 2000/01 and £2928 related to 2001/02.

Actual outturn - resource

Actual amount for net resource outturn is £202 699 530.06 which is £1 259 530.06 more than estimate.

Actual outturn - cash

Net cash requirement: Outturn net requirement £199 243 987.83, which is £10 058 793.97 less than estimate.

SCHEDULE 2

HEALTH AND SAFETY EXECUTIVE:

OPERATING COST STATEMENT FOR THE YEAR

ENDED 31 MARCH 2002

	Notes /	2001/02 £'000	2000/01 £'000
Administration Costs			
Staff costs	2	136 323	130 234
Other administration costs	3	87 531	81 157
Exceptional item: loss on sale of assets		3 189	93
Gross Administration Costs		227 043	211 484
Operating income	5	(44 908)	(42 436)
EU Income		(651)	(766)
Net Administration Costs		181 484	168 282
Programme Cost			
Expenditure	4	28 017	30 080
Less Income	4 & 5	(6 805)	(8 287)
Net Programme Costs		21 212	21 793
Other adjustments		-	-
Net Operating Cost	6 & 7	202 696	190 075
Net Resource Outturn	6 & 7	202 699	192 497

Statement of recognised gains and losses for the year ended 31 March 2002

	2001/02 £'000	2000/01 £'000
Net Gain/(loss) on revaluation of tangible fixed assets	213	(1 423)
Recognised gains and losses for the financial year	213	(1 423)

SCHEDULE 3

HEALTH AND SAFETY EXECUTIVE:

BALANCE SHEET AS AT 31 MARCH 2002

	Note	31 March 2002		31 March 2001	
		£'000	£'000	£'000	£'000
Fixed Assets					
Tangible assets	9		26 137		31 823
Current Assets					
Stocks	11	2 019		2 392	
Debtors	12	24 162		18 630	
Cash at bank and in hand	13	4 500		1 824	
		<u>30 681</u>		<u>22 846</u>	
Creditors (due within one year)	14	<u>(7 212)</u>		<u>(9 682)</u>	
Net Current Assets			<u>23 469</u>		<u>13 164</u>
Total Assets less Current Liabilities			<u>49 606</u>		<u>44 987</u>
Liabilities					
Creditors (amounts falling due after more than one year)	14		(25)		(42)
Provisions for liabilities and charges	15		(4 731)		(2 873)
			<u>44 850</u>		<u>42 072</u>
Taxpayers' Equity					
General fund	20		41 774		38 738
Revaluation Reserve	16		3 076		3 334
			<u>44 850</u>		<u>42 072</u>

Timothy Walker

Director General

Health and Safety Executive

Accounting Officer

1st October 2002

SCHEDULE 4
HEALTH AND SAFETY EXECUTIVE:
CASH FLOW STATEMENT FOR THE YEAR ENDED
31 MARCH 2002

	Note	2001/02 £'000	2000/01 £'000
Net cash outflow from operating activities		(192 836)	(175 924)
Capital Expenditure and Financial Investment	8	(6 405)	(10 084)
Payments of amounts due to the consolidated fund		(978)	(1 548)
Financing		202 895	188 789
Increase in cash in the period		2 676	1 233
Reconciliation of operating cost to operating cash flows			
Net Operating Cost		202 696	190 075
Adjust for non-cash transactions		(17 603)	(14 901)
Adjust for movements in working capital other than cash	10	6 654	116
Adjust for movements on creditors over one year		17	-
Use of provisions	15	1 072	634
Net cash outflow from operating activities		192 836	175 924
Analysis of capital expenditure and financial investment			
Purchase of fixed assets	8 & 9	7 682	10 473
Proceeds of disposal of fixed assets	8	(1 277)	(389)
Net cash outflow from investing activities		6 405	10 084
Analysis of financing			
From DTLR		202 895	188 789
(Increase) in Cash		(2 676)	(1 233)
Amounts due to the Consolidated Fund		(976)	(101)
- received in a prior year and paid over			
Amounts due to the Consolidated Fund		1	976
- received and not paid over			
Net Cash Requirement		(199 244)	(188 431)

The amount of grant actually issued to support the net cash requirement = £202 894 781.80.

SCHEDULE 5
HEALTH AND SAFETY EXECUTIVE:
RESOURCES BY DEPARTMENTAL AIMS AND
OBJECTIVES FOR THE YEAR ENDED 31 MARCH 2002

	2001/02			2000/01		
	Gross £'000	Income £'000	Net £'000	Gross £'000	Income £'000	Net £'000
Aims/Objectives						
First Aim:						
To modernise, simplify and support the regulatory framework, including EU and other international work	37 126	(3 608)	33 518	34 131	(3 559)	30 572
Second Aim:						
To secure compliance with the law in line with the principles of proportionality, consistency, transparency and targeting on a risk related basis	150 378	(32 375)	118 003	133 165	(30 601)	102 564
Third Aim:						
To improve the knowledge and understanding of health and safety through the provision of appropriate (and timely) information and advice	42 061	(10 017)	32 044	26 590	(11 093)	15 497
Fourth Aim:						
To promote risk assessment and technical knowledge as the basis for setting standards and guiding enforcement activities	14 855	(1 694)	13 161	35 435	(1 637)	33 798
Fifth Aim:						
To operate statutory schemes, including regulatory services, through, for example, EMAS	10 640	(4 670)	5 970	12 243	(4 599)	7 644
Net Operating Costs	<u>255 060</u>	<u>(52 364)</u>	<u>202 696</u>	<u>241 564</u>	<u>(51 489)</u>	<u>190 075</u>

HEALTH AND SAFETY EXECUTIVE: NOTES TO THE ACCOUNTS

1 Statement of accounting policies

The financial statements have been prepared in accordance with the 2001/02 Resource Accounting Manual (RAM) issued by HM Treasury. The particular accounting policies adopted by HSE are described below. They have been applied consistently in dealing with the items considered material in relation to the accounts. The financial statements include the figures for the Health and Safety Laboratory.

(a) Accounts Direction

In accordance with Accounts Directions issued by the Secretary of State with the approval of the Treasury, HSC and HSE have prepared a joint Foreword. The Executive has prepared the Summary of Resources Outturn (Schedule 1), Operating Cost Statement and Statement of Recognised Gains and Losses for the year (Schedule 2), the Balance Sheet (Schedule 3), the Cash Flow Statement (Schedule 4), and the Resources by Departmental Aims and Objectives (Schedule 5).

(b) Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of fixed assets (including the depreciated replacement cost of the specialist laboratory site at Buxton), and stocks where material, at their value to the business by reference to their current costs.

(c) Analysis of activities

All the activities of the Executive are designed to use the measures in the Health and Safety at Work etc Act 1974 to further the reduction of occupational accidents and disease. The Executive, under the Accounts Direction issued by the Secretary of State has not provided for an analysis of costs and related revenues by each separate activity.

(d) Government grants

Pursuant to section 43 of the Health and Safety at Work etc Act 1974, the Commission is financed by grant-in-aid from the Department for Transport, Local Government and the Regions.

The Commission pays to the Executive such sums as the Commission considers appropriate for the purpose of enabling the Executive to perform its functions. The grant-in-aid is credited to the general fund in the year in which it is received.

(e) Assets

All assets are held by the Health and Safety Executive on behalf of the Health and Safety Commission.

Items of equipment costing less than £2000 are charged to expenditure in the year of purchase, except for computer equipment (refer to Note 22) costing over £500 and items of furniture which are grouped for capitalisation by year of acquisition.

Items of equipment purchased under research contracts and held by outside bodies are charged to expenditure in the year of purchase.

Fixed assets are capitalised at cost of acquisition and installation.

Non-property assets are revalued to open market value. Published indices appropriate to the category of asset are used to estimate value where market value is not obtainable.

Land and buildings are valued on an existing use basis except for the specialist laboratory site at Buxton, which has been included at depreciated replacement cost.

In accordance with the Resource Accounting Manual and FRS 15 professional revaluations of land and buildings will be undertaken at least every five years. The respective values of all freehold properties and only those leasehold properties that qualify as finance leases (refer to accounting policy note m) are included in the balance sheet (previously leasehold properties with a rent review period of more than seven years with a consequent value were included in the balance sheet (refer Note 19)).

The freehold and leasehold properties at Sheffield and Buxton were independently valued during 2000/01 by Chesterton, Chartered Surveyors. The property at Carlisle was independently valued during 2000/01 by Donaldsons, Chartered Surveyors. In each case the valuations were in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors. In the periods between formal valuations properties have been revalued in accordance with appropriate indices.

(f) Depreciation

Freehold land is not depreciated.

Depreciation is provided on all other tangible fixed assets from the date of acquisition or from the date of revaluation in the case of buildings and leasehold land.

Depreciation is calculated to write-off the replacement cost or valuation of an asset evenly over its expected useful life except for vehicles acquired for the car leasing scheme where 60 per cent of the original cost is depreciated over the three year life of the contract.

The initial periods over which depreciation is applied are:

Buildings:	freehold	over 50 years or remaining life assessed by the valuers
	leasehold	over period of lease or to next rent review
Specialist plant		over remaining life
Furniture		up to 15 years
Office machinery, publicity and major scientific equipment		up to 10 years
Printing/typesetting and telecommunications equipment, computers and vehicles		up to 7 years
Micro computers		up to 5 years
Motor vehicles leased to staff		up to 3 years

(g) Revaluation reserves

Surpluses arising on the revaluation of fixed assets are credited to a revaluation reserve. Deficits are charged to the reserve in respect of amounts previously credited; the balance of any deficit is charged to the operating cost statement.

(h) Stocks and work in progress

Stocks and work in progress are valued as follows:

- goods and priced goods for resale are valued at cost or, where materially different, current replacement cost, and at net realisable value only when they either cannot or will not be used;
- work in progress is valued at the lower of cost, including appropriate overheads, and net realisable value.

(i) Foreign currency

Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at the year-end.

All other gains and losses are dealt with through the operating cost statement.

(j) Research

Expenditure on research is written off in the year in which it is incurred.

(k) Capital charge

A charge, reflecting the cost of capital utilised by HSE, is included in operating costs. The charge is calculated at the Government's standard rate of 6% in real terms on all assets less liabilities, except for donated assets and cash balances with OPG, where the charge is nil.

(l) Pension costs

The employees of HSE are civil servants to whom the conditions of the Superannuation Acts 1965 and 1972 and subsequent amendments apply. The staff are covered by the Principal Civil Service Pension Scheme (PCSPS) which is a non-contributory scheme. The rate of the employer's contribution is determined from time to time by the Government Actuary and advised by the Treasury and is charged to the Operating Cost Statement. The PCSPS is an unfunded multi-employer defined benefit scheme but HSE is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out at 31 March 1999. Details can be found in the resource accounts of the Cabinet Office; Civil Superannuation (www.civilservice-pensions.gov.uk).

For 2001/02 the rates of superannuation for non-industrial staff apply according to grade at 12%, 13.5%, 16.5% and 18.5%.

In addition, HSE operates an Early Retirement Scheme that gives retirement benefits to certain qualifying employees. These benefits conform to the rules of the PCSPS. HSE bears the costs of these benefits until the normal retiring age of the employees retired under the Early Retirement Scheme.

The total pensions liability up to retiring age of each employee is charged to the operating cost statement in the year in which the employee takes early retirement.

(m) Leases

Where substantially all risks and rewards of ownership of a leased asset are borne by HSE, the asset is recorded as a tangible asset and a debt is recorded to the lesser of the minimum lease payments discounted by the interest rate implicit in the lease. The interest element of the finance lease payment is charged to the operating cost statement over the period of the lease at a constant rate in relation to the balance outstanding. Other leases are regarded as operating leases and the rentals are charged to the Operating Cost Statement on a straight-line basis over the term of the lease.

(n) Administration and programme expenditure

The operating cost statement is analysed between administration and programme costs. Administration costs reflect the costs of running the organisation as defined under the administration cost-control regime, together with associated operating income. Income is analysed in the notes between that which, under the regime, is allowed to be offset against gross administrative costs in determining the outturn against the administration cost limit, and that operating income which is not. Programme costs reflect non-administration costs, including payments of grants and other disbursements by the organisation.

(o) Private Finance Initiative (PFI) transactions

PFI transactions (refer Note 23) have been accounted for in accordance with Technical Note No. 1 (Revised), entitled *How to account for PFI transactions* as required by the Resource Accounts Manual. Where the balance of risk and rewards of ownership of the PFI assets are borne by the PFI operator, the PFI payments are recorded as an operating cost. Where HSE has contributed assets, a prepayment for their fair value is recognised and amortised over the life of the PFI contract. Where at the end of the PFI contract a property reverts to HSE, the difference between the expected fair value of the residual assets on reversion and any agreed payment on reversion is built up over the life of the contract by capitalising part of the unitary charge each year.

Where the balance of risks and rewards of ownership of the PFI assets is borne by HSE, the asset is recognised as a fixed asset and the liability to pay for it is accounted for as a finance lease. Contract payments are apportioned between an imputed finance lease charge and a service charge.

2 Staff costs of the Health and Safety Executive

(a) Staff costs consist of:	2001/02	2000/01
	£'000	£'000
Wages and salaries	109 241	104 369
Social security costs	8 515	8 404
Other pension costs	18 567	17 461
Total	<u>136 323</u>	<u>130 234</u>

(b) The average number of employees during the year of the account was made up as follows:	2001/02	2000/01
	No	No
Inspectors	1 580	1 513
Other professional/specialist staff	1 397	1 292
Non-specialist staff	995	1 082
	<u>3 972</u>	<u>3 887</u>

(c) Emoluments of Director General	Salary	2001/02	Total	2000/01
		Benefits in kind		Total
	£'000	£'000	£'000	£'000
Timothy Walker	120-125	-	120-125	45-50

Executive Members Emoluments:	Salary	2001/02	Total	2000/01
		Benefits in kind		Total
	£'000	£'000	£'000	£'000
David Eves (1)	90-95	-	90-95	100-105
Richard Hillier (2)	25-30	-	25-30	95-100
Kate Timms (3)	70-75	-	70-75	-

- Notes:
- (1) Appointment ended 9 January 2002
 - (2) Executive appointment ended 1 July 2001
 - (3) Appointed 2 July 2001

Pension benefits earned	Age	Real increase in pension at 60 £'000	Total accrued pension at 60 at 31/03/2002 £'000
David Eves	60	2.5-5	50-55
Richard Hillier	59	2.5-5	35-40
Timothy Walker	56	5-7.5	35-40
Kate Timms	57	5-7.5	50-55

Notes:

'Salary' includes gross salary; performance pay or bonuses; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation.

The Executive are all members of the Principal Civil Service Pension Scheme (PCSPS).

This is a statutory scheme which provides benefits on a 'final salary' basis at a normal retirement age of 60. Benefits accrue at the rate of 1/80th of pensionable salary for each year of service. In addition a lump sum equivalent to 3 years' pension is payable on retirement. Members pay contributions of 1.5% of pensionable earnings. Pensions increase in payment in line with the Retail Prices Index. On death, pensions are payable to the surviving spouse at a rate of half the member's pension. On death in service, the scheme pays a lump sum benefit of twice pensionable pay and also provides a service enhancement on computing the spouse's pension. The enhancement depends on length of service and cannot exceed 10 years. Medical retirement is possible in the event of serious ill-health. In this case pensions are brought into payment immediately without actuarial reduction and with service enhanced as for widow(er) pensions.

The Executive members are appointed for a fixed term of up to three years. None of the members receive any predetermined compensation payment on termination of office.

3 Other administration costs of the Health and Safety Executive

	2001/02 £'000	2000/01 £'000
Rentals under operating leases:		
Hire of plant and machines	125	125
Other operating leases	8 986	8 892
PFI service charges:		
Off balance sheet contracts	9293	-
Auditor's remuneration	84	78
Non-cash items:		
Depreciation and amortisation of fixed assets	6 879	8 964
Cost of capital charge	2 645	2 482
Loss on revaluation of fixed assets	2 238	916
Provisions: Provided in year	2 547	2 385
Other non-cash items	105	45
Other expenditure	54 629	57 270
	<u>87 531</u>	<u>81 157</u>
Loss on sale of fixed assets	3 189	93
	<u>90 720</u>	<u>81 250</u>

Note:

Travel, subsistence and hospitality expenses for the Executive Members was £34 281 (2000/01 - £26 742), whilst the total for all other staff was £11 360 586 (2000/01 - £9 970 977).

There were no payments made to the NAO for non-audit work carried out in the year.

The figure for bad debts and losses includes:

	2001/02 £'000	2000/01 £'000
(a) Losses cases 170 (2000/01:154 cases)	29	34
(b) Special payments cases 33 (2000/01:34 cases)	155	91
(c) Bad debts written off	59	65
	<u>243</u>	<u>190</u>

4 Net programme costs

	2001/02	2000/01
	£'000	£'000
Research	16 008	17 358
Publicity, marketing and distribution	9 335	10 334
Other	2 674	2 388
Less Programme Income	(6 805)	(8 287)
	<u>21 212</u>	<u>21 793</u>

5 Income

The activities of the Executive include certain chargeable services, each of which is subject to a financial objective of full cost recovery. Memorandum Trading Accounts are prepared where the cost of a particular service exceeds £100 000. The charges for these activities, which are exclusive of VAT, include provision for the recovery of notional interest, apart from the licensing of nuclear installations where the notional charge is not an expense that can be recovered under the Nuclear Installations Act 1965.

The Health and Safety Laboratory (HSL) became an in-house agency of HSE on 1 April 1995 and operates on 'Next Steps Agency' principles under the direction of a Chief Executive, who is also their accounting officer. They are required to recover the full cost of their operations in accordance with HM Treasury's Fees and Charges guidance and are subject to the controls imposed on a net running costs regime. The figures contained in HSE's Operating Cost Statement include those for the Laboratory.

	Cost	Income	Surplus/(Deficit)	Surplus/(Deficit)
	£'000	£'000	2001/02 £'000	2000/01 £'000
(i) HSE fees and charges				
Licensing of nuclear installations	19 245	19 245	-	-
Safety related research in the nuclear industry	1 569	1 569	-	-
Sponsored conferences	-	-	-	(60)
Genetically modified organisms	160	118	(42)	-
First-aid approvals	250	192	(58)	-
Electrical Equipment Certification Unit	2 189	1 924	(265)	(270)
Asbestos Licensing Unit	308	203	(105)	(48)
Approval of non-agricultural pesticides	1 580	1 580	-	-
Notification of New Substances	326	330	4	(32)
Control of Major Accident Hazards	3 906	3 679	(227)	(16)
Enforcement of Railway Safety Legislation	6 240	5 251	(989)	(411)
Enforcement of Offshore Safety Legislation	7 033	6 006	(1 027)	(298)
	<u>42 806</u>	<u>40 097</u>	<u>(2 709)</u>	<u>(1 135)</u>
Health and Safety Laboratory External Customers	1 826	1 957	131	137
Health and Safety Laboratory EU Income	486	486	-	-
Other fees and agency charges	-	247	-	-
Total fees and charges at 31 March 2002	<u>45 118</u>	<u>42 787</u>		
Total fees and charges at 31 March 2001	<u>41 555</u>	<u>40 813</u>		
(ii) HSE sales and other income				
Sale of publications	4 487	5 192	705	1 322
Other sales/income	-	4 220	-	-
EU Income	165	165	-	-
Total sales and other income at 31 March 2002	<u>4 652</u>	<u>9 577</u>		
Total sales and other income at 31 March 2001	<u>5 239</u>	<u>10 676</u>		

This analysis conforms to the HM Treasury's *The Fees and Charges Guide* and is not intended to comply with SSAP25 Segmental Reporting.

Rents receivable included in other sales/income above, is as follows

	2001/02	2000/01
	£'000	£'000
Rents from other Government Departments	159	62
Rents from external tenants	148	148

6 Reconciliation of net operating cost to net resource outturn

	2001/02	2000/01
	£'000	£'000
Net Operating Cost	202 696	190 075
Income to be surrendered as CFER	3	2 422
Resource budget outturn	202 699	192 497
Net Resource Outturn	202 699	192 497

7 Analysis of net resource outturn by function and reconciliation to operating cost statement

Functions represent the disaggregation of requests for resources for control purposes and parliamentary approval. They may not correspond to departmental objectives, which in turn reflect a disaggregation of departmental aims for the management of activities.

	2001/02				
	Admin	Programme	Current grants	A-in-A	Net Total
	£'000	£'000	£'000	£'000	£'000
Request for Resources	181 487	21 212	-	-	202 699
Total	181 487	21 212	-	-	202 699
Resource Outturn					202 699
Income to be surrendered as CFER					(3)
Net Operating Cost					<u>202 696</u>

8 Analysis of capital expenditure, financial investment and associated appropriations in aid

	2001/02			Net Total £'000
	Capital Expenditure £'000	Loans etc £'000	Appropriations in Aid £'000	
Request for Resources	7 682	-	-	7 682
Total				7 682
Income from disposal of fixed assets				(1 277)
				6 405

9 Tangible fixed assets

Fixed asset values	Land and buildings £'000	Machinery, equipment computers and plant £'000	Vehicles, furniture and office machines £'000	Total £'000
Cost or valuation at 1 April 2001	11 509	29 717	15 445	56 671
Additions in year	2 834	2 171	2 677	7 682
Revaluations in year	(665)	(4 881)	(57)	(5 603)
Disposals during year	-	(10 221)	(2 626)	(12 847)
Balance at 31 March 2002	<u>13 678</u>	<u>16 786</u>	<u>15 439</u>	<u>45 903</u>
Depreciation at 1 April 2001	2 329	15 560	6 959	24 848
Charge in year	1 051	3 850	1 978	6 879
Revaluations in year	(774)	(2 812)	6	(3 580)
Disposals during year	-	(6 326)	(2 055)	(8 381)
Accumulated depreciation at 31 March 2002	<u>2 606</u>	<u>10 272</u>	<u>6 888</u>	<u>19 766</u>
Net book value at 31 March 2002	<u>11 072</u>	<u>6 514</u>	<u>8 551</u>	<u>26 137</u>
Net book value at 31 March 2001	<u>9 180</u>	<u>14 157</u>	<u>8 486</u>	<u>31 823</u>

Analysis of land and buildings between freehold, long and short leasehold

The net book value at 31 March 2002 of land and buildings comprises:

	2001/02	2000/01
	£'000	£'000
Freehold	5 689	5 310
Long Leasehold	1 184	1 288
Short Leasehold	4 199	2 582
	<u>11 072</u>	<u>9 180</u>

10 Movements in working capital other than cash

	2001/02	2000/01
	£'000	£'000
Decrease/(Increase) in stocks/work in progress	373	(99)
(Increase) in debtors	(5 532)	(2 107)
(Decrease)/Increase in creditors falling due within one year	<u>(2 470)</u>	<u>2 964</u>
	(7 629)	758
Less Decrease/(Increase) in CFER creditor	975	(874)
	<u>6 654</u>	<u>(116)</u>

11 Stocks and work in progress

	2001/02	2000/01
	£'000	£'000
Consumables	124	104
Work-in-progress	467	887
Finished stock for sale	<u>1 428</u>	<u>1 401</u>
	<u>2 019</u>	<u>2 392</u>

12 Debtors

	2001/02	2000/01
	£'000	£'000
Debts falling due within one year:		
Trade debtors	6 953	5 307
Imprest/advances	391	794
Prepayments	3 452	4 709
Taxation: VAT debtor	3 361	3 530
Other debtors	63	-
Accrued income	8 547	3 551
	<u>22 767</u>	<u>17 891</u>
Debts falling due after more than one year:		
IT Refit	607	-
Imprests/advances	788	739
Total	<u>24 162</u>	<u>18 630</u>

The imprests/advances total of £1 179 067 (2000/01 - £1 532 494) includes £612 559 (2000/01 - £770 869) advances of salary for house purchase, £236 269 (2000/01 - £255 518) advances of salary for season ticket purchase, £192 846 (2000/01 - £205 003) imprests and £137 393 (2000/01 - £301 104) other advances.

There were 86 officers who had £2500 or more outstanding at 31 March 2002 which totalled £564 187 (2000/01 - £705 605 -relating to 99 officers).

13 Cash at bank and in hand

	2001/02	2000/01
	£'000	£'000
Balance at 1 April	1 824	591
Net cash inflow	2 676	1 233
Balance at 31 March	<u>4 500</u>	<u>1 824</u>
The following balances at 31 March are held at:		
The Office of HM Paymaster General (OPG)	4 283	1 722
Commercial banks and cash in hand	217	102
	<u>4 500</u>	<u>1 824</u>
The balance at 31 March comprises:		
Amounts issued from the consolidated fund for supply but not spent at year end	4 499	849
Consolidated Fund Extra Receipts received and due to be paid to the consolidated fund	1	975
	<u>4 500</u>	<u>1 824</u>

14 Creditors

	2001/02 £'000	2000/01 £'000
Amounts falling due within one year:		
Trade creditors	1 223	2 116
Other creditors	111	18
Accruals and deferred income	5 191	5 072
Payments on account	686	1 501
Receipts payable to DTLR	1	975
	<u>7 212</u>	<u>9 682</u>
Amounts falling due after more than one year:		
Finance leases	25	42
Total	<u>7 237</u>	<u>9 724</u>

15 Provisions for liabilities and charges

	EECS closure £'000	Early Retirement Provision £'000	Dilapidations £'000	Other £'000	Total £'000
Balance at 1 April 2001	-	2 564	-	309	2 873
Increase in Provision	1 977	302	230	419	2 928
Provisions not required written back	-	(5)	-	-	(5)
Amounts Utilised	-	(763)	-	(309)	(1 072)
Unwinding of discount	-	7	-	-	7
Balance at 31 March 2002	<u>1 977</u>	<u>2 105</u>	<u>230</u>	<u>419</u>	<u>4 731</u>

16 Reserves

Revaluation Reserve	£'000
Balance at 1 April 2001	3 334
Arising on revaluation during the year (net)	213
Transfer to general fund of realised element of revaluation reserve	(471)
Balance at 31 March 2002	<u>3 076</u>

17 Capital commitments

	2001/02 £'000	2000/01 £'000
Contracted commitments for which no provision has been made.	804	207

18 Commitments under operating leases

Commitments under operating leases to pay rentals during the year following the year of these accounts are given in the table below, analysed according to the period in which the lease expires:

	2001/02		2000/01	
	Land and Buildings £'000	Other £'000	Land and Buildings £'000	Other £'000
Leases expiring within:				
One year	850	55	203	1
Two to five years	654	70	2 237	114
More than 5 years	<u>5 384</u>	<u>-</u>	<u>5 065</u>	<u>-</u>
	<u>6 888</u>	<u>125</u>	<u>7 505</u>	<u>115</u>

19 Finance leases

HSE's obligations under finance leases are as follows:

	2001/02		2000/01	
	Land and Buildings £'000	Other £'000	Land and Buildings £'000	Other £'000
Rentals due within one year	-	16	-	16
Rentals due within 2-5 years	-	25	-	42
Rentals due thereafter	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>41</u>	<u>-</u>	<u>58</u>

20 Reconciliation of net operating cost to changes in general fund

	2001/2002	2000/2001
	£'000	£'000
Net Operating Cost for the year (Schedule 2)	(202 696)	(190 075)
Net parliamentary funding	202 895	188 789
Income to be surrendered to DTLR	-	(2 422)
Transferred to general fund of realised element of revaluation reserve	471	437
Release from General Fund	(384)	873
Non-cash charges:		
Cost of capital	2 645	2 482
Notional welfare costs	105	-
Net increase in general fund	3 036	84
General fund at 1 April 2001	38 738	38 654
General fund at 31 March 2002 (Schedule 3)	41 774	38 738

21 Related Party Transactions

The Health and Safety Executive is an Executive Non-Departmental Public Body with Crown status and is sponsored by the Department for Transport, Local Government and the Regions (DTLR).

DTLR is regarded as a related party. During the year, HSE had several transactions with DTLR that mainly related to the provision of premises and research services (£1 056 000, 2000/01 £303 000). HSC and HSE did not have material transactions with other entities for which DTLR is regarded as the parent Department.

In addition, HSE had a number of material transactions with other government departments and other central government bodies. The significant transactions have been with the Benefits Agency (expenditure £731 000, 2000/01 - £613 000), Central Office of Information (£761 000, 2000/01 - £883 000), Civil Service College (£230 000, 2000/01 - £56 000), Department of Health (£209 000, 2000/01 - £404 000), Treasury Solicitor (£267 000, 2000/01 - £5 559 000) and Department of Environment, Food and Rural Affairs (income of £158 000, 2000/01 - £156,000), and mainly relate to premises, research, training, computer, legal services and administrative expenditure together with relevant income from the provision of health and safety advice and services. None of the Executive members, the Director General or senior managers, or any person connected with these, had any interest in any material transactions with HSE or received benefits from HSE suppliers during the year.

22 Notes to Schedule 5

Our aims are those laid out in the Health and Safety at Work etc Act 1974.

The Health and Safety Executive's operating cost has been allocated to aims/objectives wherever directly attributable or apportioned using normal management accounting practices.

23 Commitments under PFI contracts

HSE has entered into the following PFI contract.

Off balance sheet

IT services

In June 2001 HSE signed a 10-year contract with a partner (CMG with Computacenter as the key sub-contractor) for the provision of information and communications technology and information strategy (IS) service across all HSE sites and to all HSE users. The objectives of the retendering for IT services project were:

- to secure continued delivery of IS/IT in support of HSE's operational services, including allowing HSE to develop its use of IT to support its relationship with industry, the public and other stakeholders;
- to improve the efficiency and cost effectiveness of HSE's existing IS/IT services;
- to enhance the quality of HSE's business services, through the integrated, improved and expanded use of IS/IT; and
- to ensure HSE has the IT capability to deliver agreed work programmes in accordance with legislative changes and wider government policies.

HSE sought to streamline the management of its IT service arrangements by placing all of its IT services with a single strategic partner who will have responsibility for delivering an end to end service. Following a period of transition from the previous outsourced IT service contractor, Integris, the new service commenced on 17 October 2001.

The Agreement is based on a model agreement for PFI contracts. Typically in PFI deals the contractor provides services and risk is transferred to the party best able to manage it. The partner has taken over ownership of HSE's IT hardware and some software assets and is responsible for providing all future assets needed to deliver the IT service. The majority of ex-Integris employees also transferred to the partner.

Over the period of the contract, efficiencies are planned to be made in the levels of staff and equipment. The estimated net present capital value of the contract is £16 million.

The charges may vary according to volume, development of application and business systems, service improvements projects and the level of the partner's performance and service availability. The core charges are linked to annual movements in line with the Retail Price Index. Project charges are fixed for three years and thereafter linked to the Average Earnings Index and Computer Economics Index for IT services. The services provided by the partner are also subject to biannual value for money benchmarking exercises.

Transparency of our partner's costs and charges supporting a profit sharing agreement are the fundamental financial controls in the contract. The partner is contractually obliged to provide:

- an up-to-date financial model which sets out the basis of the calculation of the charges, revenue costs (including capital costs, financing costs and ongoing revenue expenditure) and contingencies of the services; and
- an annually produced certificate of costs indicating their actual costs, expenses and profits in providing the services over the preceding year of the agreement with access to the partner's records to verify the figures produced.

If CMG were to meet the performance standards in the contract and the transaction levels and business developments fall within the agreed parameters, the payments under the contract at constant price levels would be:

	£'000's
Amounts falling due within one year	13 156
Net present value of amounts falling due within two to five years	48 132
Net present value of amounts falling due within six to ten years	47 067

A discount rate of 6% has been used to derive the net present value of the non-discretionary payment streams in years two to ten.

24 Contingent liabilities

In October 2001, a summons was filed in respect of a claim from Thames Trains Ltd against HSE and Her Majesty's Railway Inspectorate for an amount in excess of £5 million. The lawsuit seeks recompense for amounts paid out as a result of the Ladbroke Grove railway accident that they claim was due to breaches of statutory duty and our negligence. This claim will be rigorously defended and whilst the outcome of these matters cannot readily be determined or foreseen, it is considered that they will be resolved eventually without a material effect on HSE's financial position.

25 Financial instruments

FRS 13, derivatives and other financial instruments, require disclosure of the role which financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the largely non-trading nature of our activities and the way in which government bodies are financed, HSE is not exposed to the degree of financial risk faced by business entities. Moreover, financial instruments play a much more limited role in their ability to create or change risk than would be typical of the listed companies to which FRS 13 mainly applies. HSE has no powers to borrow or invest surplus funds and except for financial assets and liabilities that are generated by day-to-day operational activities and are not held to change the risks facing HSE in undertaking its activities.

HSE's exposure to foreign currency risk is not significant. Disclosure of debtors and creditors due and payable after one year is made in the respective Notes to the Accounts. Fair and book values are deemed to be the same.

26 Financial Risks

Liquidity risk

HSE's net revenue resource requirements are financed by resources voted annually by Parliament, HSE is not therefore exposed to significant liquidity risk.

Interest rate risk and profile

All of HSE's financial assets and liabilities carry nil rates of interest and hence are not exposed to significant interest rate risk.

APPENDIX A THE HEALTH AND SAFETY COMMISSION

ACCOUNTS DIRECTION GIVEN BY THE SECRETARY OF STATE WITH THE CONSENT OF THE TREASURY, IN ACCORDANCE WITH PARAGRAPH 14(1) OF SCHEDULE 2 TO THE HEALTH AND SAFETY AT WORK ETC ACT 1974

1 The annual accounting principles of the Health and Safety Commission (hereafter referred to as 'the Commission') shall give a true and fair view of the net operating cost for the year and the state of affairs at the year end. Subject to this requirement, the annual accounts shall be prepared in accordance with

- (a) the accounting principles and policies and the disclosure requirements given in the Treasury's Resource Accounting Manual (published by the Stationery Office), as amended or augmented from time to time, except as described in Schedule 1 to this direction; and
- (b) any other applicable guidance that the Treasury may issue from time to time;

insofar as these requirements are appropriate to the Commission and are in force for the year for which the accounts are prepared, and except where agreed otherwise with the Treasury, in which case the exception shall be described in the notes to the accounts.

2 Additional disclosures required by the Secretary of State are set out in Schedule 2 to this direction.

3 The Commission's foreword, statement of responsibilities and statement on internal control may be combined with those for the Health and Safety Executive.

4 This direction shall be reproduced as an appendix to the annual accounts.
This direction replaces that dated 27 March 1998.

Signed by the authority of the Secretary
of State for the Environment, Transport and the Regions

MC Seager For a grade 5 officer in the
Department of the Environment, Transport and the Regions

Date 21 August 2000

SCHEDULE 1 EXCEPTIONS TO THE RESOURCE ACCOUNTING MANUAL

- 1 Grant-in-aid shall be treated as though it was Parliamentary funding, and taken directly to the general fund.
- 2 The annual accounts shall not include a statement on resources by departmental aims.

SCHEDULE 2 ADDITIONAL DISCLOSURE REQUIREMENTS

Notes to the annual accounts

The notes to the annual accounts shall contain the following information, as a minimum and in addition to the information required to be disclosed by paragraph 1 of this direction.

- (a) A report on the emoluments and pension arrangements of Commission members in accordance with the disclosure requirements for Government departments;
- (b) Particulars of any transaction, arrangement or contract (other than a contract of service or of employment with the Commission), including transactions at arm's length, entered into by the Commission with another party, exceeding £5000 in value, in which a Commission member, the accounting officer or a senior manager, or a person connected with any of the foregoing, at any time during the year, had a direct financial interest that was notified to the Commission. For these purposes, a connected person shall be as defined in section 839 of the Income and Corporation Taxes Act 1988 or superseding legislation and including a member of the same household; and
- (c) A statement of losses and special payments during the year, being transactions of a type which Parliament cannot be supposed to have contemplated. Disclosure shall be made of the total of losses and special payments if this exceeds £100 000, with separate disclosure and particulars of any individual amounts in excess of £100 000. Disclosure shall also be made of any loss or special payment of £100 000 and below if it is considered material in the context of the Commission's operations.

APPENDIX B THE HEALTH AND SAFETY EXECUTIVE

ACCOUNTS DIRECTION GIVEN BY THE SECRETARY OF STATE WITH THE CONSENT OF THE TREASURY, IN ACCORDANCE WITH PARAGRAPH 20 OF SCHEDULE 2 TO THE HEALTH AND SAFETY AT WORK ETC ACT 1974

1 The annual accounts of the Health and Safety Executive (hereafter referred to as 'the Executive') shall give a true and fair view of the net operating cost and cash flows for the year and the state of affairs at the year end. Subject to this requirement, the annual accounts shall be prepared in accordance with:

- (i) the accounting principles and policies and the disclosure requirements given in the Treasury's Resource Accounting Manual (published by the Stationery Office), as amended or augmented from time to time, except as described in Schedule 1 to this direction; and
- (ii) any other applicable guidance that the Treasury may issue from time to time;

insofar as these requirements are appropriate to the Executive and are in force for the year for which the accounts are prepared, and except where agreed otherwise with the Treasury, in which case the exception shall be described in the notes to the accounts.

2 Additional disclosures required by the Secretary of State are set out in Schedule 2 to this direction.

3 The Executive's foreword, statement of responsibilities and statement on internal control may be combined with those for the Health and Safety Commission.

4 This direction shall be reproduced as an appendix to the annual accounts.

5 This direction replaces that dated 27 March 1998, as amended on 24 August 1999.

Signed by the authority of the Secretary
of State for the Environment, Transport and the Regions

MC Seager For a grade 5 officer in the
Department of the Environment, Transport and the Regions

Date 21 August 2000

SCHEDULE 1 EXCEPTIONS TO THE RESOURCE ACCOUNTING MANUAL

Grant-in-aid shall be treated as though it was Parliamentary funding, and taken directly to the general fund.

SCHEDULE 2 ADDITIONAL DISCLOSURE REQUIREMENTS

COMBINED FOREWORD FOR THE HEALTH & SAFETY EXECUTIVE AND THE HEALTH & SAFETY COMMISSION

- (1) The foreword shall be signed and dated as follows:
 - on behalf of Executive members,
 - on behalf of Commission members,
 - by the Accounting Officer of the Executive, and
 - by the Accounting Officer of the Commission.
- (2) The foreword shall contain the information required to be disclosed in directors' reports attached to companies' annual accounts, to the extent that such requirements are appropriate to the Executive and to the Commission (for which purpose Executive members and Commission shall be taken to be directors).
- (3) The foreword shall contain, as a minimum and in addition to the information required to be disclosed by paragraph 1 of this direction:
 - (a) a statement on compliance with the CBI Prompt Payment Code;
 - (b) a statement that throughout the year and in all material respects, the Executive and the Commission complied with the terms of financial memorandum issued to each body by the Secretary of State for the Environment, Transport and the Regions; and
 - (c) a statement on the policy for conserving energy, reducing waste and minimising the release of greenhouse gases.

The balance sheet

- 1 The balance sheet be signed and dated on behalf of the Executive members and by the Executive's accounting officer.
- 2 The balance sheet, or the notes thereto shall show, as a minimum and in addition to the information required to be disclosed by paragraph 1 of this direction:
 - (a) an analysis of cash and liquid resources (both as defined by accounting standard FRS 1);
 - (b) prepayments, separately from accrued income; and
 - (c) payments on account.

Notes to the annual accounts

The notes to the annual accounts shall contain the following information, as a minimum and in addition to the information required to be disclosed by paragraph 1 of this direction.

- (a) A statement of performance against key financial targets agreed in advance with the Department of the Environment, Transport and the Regions;
- (b) A statement of debts written off and movements in provisions for bad and doubtful debts;
- (c) A report on the emoluments and pension arrangements of Executive members in accordance with the disclosure requirements for Government departments;
- (d) Particulars of any transaction, arrangement or contract (other than a contract of service or of employment with the Executive), including transactions at arm's length, entered into by the Executive with another party, exceeding £5000 in value, in which an Executive member, the accounting officer or a senior manager, or a person connected with any of the foregoing, at any time during the year, had a direct financial interest that was notified to the Executive. For these purposes, a connected person shall be as defined in section 839 of the Income and Corporation Taxes Act 1988 or superseding legislation and including a member of the same household; and
- (e) A statement of losses and special payments during the year, being transactions of a type which Parliament cannot be supposed to have contemplated. Disclosure shall be made of the total of losses and special payments if this exceeds £100 000, with separate disclosure and particulars of any individual amounts in excess of £100 000. Disclosure shall also be made of any loss or special payment of £100 000 and below if it is considered material in the context of the Executive's operations.

GLOSSARY OF ABBREVIATIONS

3Rs	Right information, Right people, Right way
ACDP	Advisory Committee on Dangerous Pathogens
ACGM	Advisory Committee on Genetic Modification
ACOP	Approved Code Of Practice
ACPO	Association of Chief Police Officers
ACTS	Advisory Committee on Toxic Substances
AIAC	Agriculture Industry Advisory Committee
AIB	Asbestos Insulation Board
ALARP	As Low As Reasonably Practicable
ALU	Asbestos Licensing Unit
ARK	All Round Knowledge
ATEX	Explosive Atmospheres Directive
ATP	Adaptation to Technical Progress
AWE	Atomic Weapons Establishment
B&C	Building and Construction
BE	British Energy
BEU	Business Efficiency Unit
BI	Business Improvement
BNFL	British Nuclear Fuels Limited
BOHS	British Occupational Hygiene Society
BP	British Petroleum
BREEAM	Building Research Establishment's Environmental Appraisal Method
BRM	Business Risk Model
BSD	Business Services Division
BSE	Bovine Spongiform Encephalopathy
BTP	British Transport Police
CA	Competent Authority
CAA	Civil Aviation Authority
CAD	Chemical Agents Directive
CAS	Client Advisory Service
CAW	Control of Asbestos at Work Regulations 1987
CBI	Confederation of British Industry
CCNSG	Client/Contractor National Safety Group
CCTV	Closed Circuit Television
CD	Consultative Document
CDM	Construction (Design and Management) Regulations
CEN	Comite European de Normalisation (European standards committee)
CEST	Centre for the Exploitation of Science and Technology
CHID	Chemical and Harzardous Installations Division
CHIP	Chemical (Hazard Information and Packaging) Regulations
CHSC	Corporate Health and Safety Committee

CHSW	Construction (Health, Safety and Welfare) Regulations
CIA	Chemical Industries Association
CIF	Chemical Industries Forum
CLG	Constructors Liaison Group
COMAH	Control of Major Accident Hazards Regulations
CONIAC	Construction Industry Advisory Committee
COPR	Control of Pesticides Regulations 1986
COSHH	Control of Substances Hazardous to Health Regulations
CPA	Corrugated Packing Association
CPS	Crown Prosecution Service
CROW	Countryside Right of Way Act
CRR	Contract Research Report
CSC	Care Standards Commission
CSCS	Civil Service Compensation Scheme
CSR	Corporate Services Review
CV	Curriculum Vitae
D/D	Directorate/Division
DAG	Direct Access Government
DAP	Development Action Plan
DCI	Decompression Illness
DD	Discussion Document
DEFRA	Department for Environment, Food and Rural Affairs
DEL	Departmental Expenditure Limit
DETR	Department of Environment, Transport and the Regions
DfES	Department for Education and Skills
DG	Director General
DIAS	Directorate of Information and Advisory Services
DIS	Departmental Investment Strategy
DO	Dangerous Occurrence
DOH	Department of Health
DP	Dangerous Pathogens
DPA	Data Protection Act
DPD	Dangerous Preparations Directive
DRP	Directorate of Railway Policy
DSE	Display Screen Equipment
DSEAR	Dangerous Substances and Explosive Atmospheres Regulations
DST	Directorate of Science and Technology
DTI	Department of Trade and Industry
DTLR	Department for Transport Local Government and the Regions
DWP	Department of Work and Pension
EA	Environment Agency
EBRD	European Bank for Reconstruction and Development
EC	European Community
ECJ	European Court of Justice

EEC	European Economic Community
EECS	Electrical Equipment Certification Service
EEF	Engineering Employer's Federation
ELOs	Enforcement Liaison Officers
EM	Ethnic Minority
EMAS	Employment Medical Advisory Service
EMM	Enforcement Management Model
EMS	Environmental Management System
EMSU	Epidemiology and Medical Statistics Unit
EMU	European Monetary Union
EP	European Parliament
EPS	Enforcement Policy Statement
ERTMS	European Rail Traffic Management Systems
ES	Employment Service
ESAU	Economic and Statistical Analysis Unit
ETM	Essential Training for Managers
EU	European Union
EWS	English, Welsh and Scottish Railways
F&M	Foot and Mouth
FEPA	Food and Environmental Protection Act 1985
FFH	Falls from Height
FOCUS	Field Operations Computer System
FOD	Field Operations Directorate
FOI	Freedom of Information
FPSO	Floating Production, Storage & Offtake Installations Operations
FRS	Financial Reporting Standards
FSA	Food Standards Agency
GHGB	Good Health is Good Business
GMOs	Genetically Modified Organism
GP	General Practitioner
GSMR	Gas Safety (Management) Regulations 1996
H/S	Health/Safety
HAL	Highly Active Liquid
HAV	Hand Arm Vibration
HD	Health Directorate
HELA	Health and Safety Executive / Local Authorities Enforcement Liaison Committee
HERMES	HSE's Electronic Records Management System
HGV	Heavy Goods Vehicle
HIAG	Health in Agriculture
HID	Hazardous Installations Directorate
HIRERs	Hazard Identification Risk Evaluation Reports
HLG	Helicopter Liaison Group
HM	Her Majesty's
HO	Home Office

HR	Human Resources
HSA	Health and Safety Advisor
HSAC	Health Services Advisory Committee
HSC	Health and Safety Commission
HSE	Health and Safety Executive
HSG	Health and Safety Guidance
HSL	Health and Safety Laboratory
HSWA	Health and Safety at Work etc. Act 1974
IAC	Industry Advisory Committee
IAC	Industry Advisory Committee
IAEA	International Atomic Energy Agency
IC	Information Commissioner
ICB	Investors in the Community (Buxton) Ltd
ICC	Incident Contact Centre
ICI	Imperial Chemical Industries
ICVS	Interdepartmental Committee on Violence to Staff
IHA	Independent Health Care Association
IIP	Investors in People
ILGRA	Interdepartmental Liaison Group on Risk Assessment
ILO	International Labour Organisation
ILO OSH	International Labour Organisation Occupational Safety and Health
IMC	Infrastructure Maintenance Contractor
IoD	Institute of Directors
IOELV	Indicative Occupational Exposure Limit Value
IOSH	Institution of Occupational Safety and Health
IS	Information Systems
IS/IT	Information Systems/Information Technology
ISO	International Standards Organisation
IT	Information Technology
KM	Knowledge Management
LA	Local Authority
LAC	Local Authority Circular
LAU	Local Authority Unit
LCD	Lord Chancellor's Department
LEA	Local Education Authorities
LERAP	Local Environmental Risk Assessments for Pesticides
LEV	Local Exhaust Ventilation
LMA	Liabilities Management Authority
LSA	Low Specific Activity
LSC	Learning and Skills Council
LU	London Underground
LUL	London Underground Limited
MAFF	Ministry of Agriculture, Fisheries and Food
MAIB	Marine Accident Investigation Branch

MCA	Maritime and Coastguard Agency
MEL	Maximum Exposure Limit
MEP	Member of the European Parliament
MEWPS	Mobile Elevating Work Platforms
MI	Mines Inspectorate
MoD	Ministry of Defence
MoU	Memorandum of Understanding
MOX	Mixed Uranium Plutonium Oxide
MSD	Musculoskeletal Disorder
MSDU	Methodology and Standards Development Unit
MVR	Motor Vehicle Repair
NAO	National Audit Office
NFU	National Farmers Union
NHS	National Health Service
NNRP	Naval Nuclear Regulatory Panel
NONS	Notification of New Substances Regulations
NRTCA	National Road Tanker Cleaners Association
NSD	Nuclear Safety Directorate
NTO	National Training Organisation
NuSAC	Nuclear Safety Advisory Committee
NVQ	National Vocational Qualification
OC	Operational Circular
OCNS	Office for Civil Nuclear Security
OECD	Organisation for Economic Cooperation and Development
OEL	Occupational Exposure Limits
OG	Open Government
OGB	Open Government Branch
OGC	Office of Government Commerce
OGD	Other Government Departments
OH	Occupational Health
OHAC	Occupational Health Advisory Committee
OIAC	Offshore Industry Advisory Committee
ONS	Office for National Statistics
OPG	Operational Policy Group
ORR	Office of the Rail Regulator
OSD	Offshore Safety Division
PARIS	Personal and Record Information System
PC	Personal Computer
PCSPS	Principal Civil Service Pension Scheme
PD	Personnel Division
PDP	Personal Development Plan
PFI	Private Finance Initiative
PIC	Prior Informed Consent
PMF	Progressive Massive Fibrosis

PP	Priority Programme
PPE	Personal Protective Equipment
PPP	Public-Private Partnership
PSA	Public Service Agreement
PSES	Pedestrian Slipping Expert System
PSS	Port Skills and Safety
PTO	Power Take Off
QQR	Quinquennial Review
RAB	Resource Accounting and Budgeting
RAIB	Rail Accident Investigation Branch
RAM	Random Access Memory
REFIT	Business Consultancy & ICT Services Partner (Retendering for IT)
REHIS	Royal Environmental Health Institute of Scotland
REPPIR	Radiation (Emergency Preparedness and Public Information) Regulations
RHS	Revitalising Health and Safety
RI	Railway Inspectorate
RIAC	Railway Industry Advisory Committee
RIBA	Royal Institute of British Architects
RICOs	Railway Inspectorate Contact Officer
RIDDOR	Reporting of Injuries, Diseases and Dangerous Occurrences Regulations
RISB	Railways Industry Safety Body
RITC	Railways Industry Training Council
RNH	Registered Nursing Homes
RoSPA	Royal Society for the Prevention of Accidents
ROTS	Railways and Other Transport Systems (Approval of Works, Plant and Equipment) Regulations
RPU	Risk Policy Unit
RRA	Race Relations Act
RSC	Railway (Safety Case) Regulations
RSI	Repetitive Strain Injury
RSU	Research Strategy Unit
S&I	Science and Innovation
S&T	Science and Technology
SAC	Subject Advisory Committee
SAD	Safety Awareness Day
SASD	Strategy and Analytical Support Directorate
SBS	Small Business Scheme
SCS	Senior Civil Service
SEPA	Scottish Environment Protection Agency
SHA	Special Hazard Assessments
SH2	Securing Health Together
SIM	Sector Information Minutes
SME	Small and Medium Sized Enterprise
SMSU	Senior Management Support Unit
SPADs	Signals Passed at Danger

SPATS	Senior Professional Administrative Training Scheme
SR	Safety Report
SRA	Strategic Rail Authority
SS	Staff Survey
STF	Slips, Trips and Falls from Height
SWI	Self-Reported Work-related Illness Survey
TD	Technology Division
TEC	Training and Enterprise Council
TEXIAC	Textiles Industry Advisory Committee
TGWU	Transport and General Workers Union
THOR	The Health and Occupation Reporting System
TOCs	Train Operating Companies
TPWS	Train Protection and Warning System
TU	Trade Union
TUC	Trades Union Congress
UKAEA	United Kingdom Atomic Energy Authority
UKAS	United Kingdom Accreditation Service
UKOOA	United Kingdom Offshore Operators Association
UN	United Nations
UWED	Use of Work Equipment Directive
VAT	Value Added Tax
VFM	Value for Money
WBS	Working Backs Scotland
WCAR	Work in Compressed Air Regulations
WCO	Workplace Contact Officer
WDA	Welsh Development Area
WHO	World Health Organisation
WILDS	Wheel Impact Load Detectors
WRMSD	Work-related Musculoskeletal Disorders
WRULD	Work-related Upper Limb Disorder
WSA	Workers Safety Advisor
WTO	Working Time Officer
WWT	Working Well Together

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