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Delivering health and safety in Great Britain

Health and Safety Commission
Annual Report
and the Health and Safety Commission/Executive
Accounts 2002/03

2002 - **2003**

A **vision** for
health and safety
in Great Britain

To gain recognition of
health and safety as a
cornerstone of a
civilised society, and
with that achieve a
record of workplace
health and safety that
leads the world



HSC'S MISSION STATEMENT

To protect people's health
and safety by ensuring risks
in the changing workplace
are properly controlled



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Delivering health and safety in Great Britain

Health and Safety Commission
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Accounts 2002/03



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PREFACE

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

Departmental responsibility for HSC/E previously lay with the Department for Transport, Local Government and the Regions, and before that (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 and the Health and Safety Executive. HSC's primary functions include making arrangements to secure the health, safety and welfare of people at work and protecting the public against risks to their health and safety from work activities. 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 protect people's health and safety by ensuring risks in the changing workplace 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.

Our **vision** is to gain recognition of health and safety as a cornerstone of a civilised society, and with that achieve a record of workplace health and safety that leads the world.

CHAIR AND MEMBERS OF THE HEALTH AND SAFETY COMMISSION: 2002/03

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 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

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.

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.

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.

Judith Donovan CBE. Appointed 1 October 2000. 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 Trustee of Yorkshire Dales Millennium Trust and a Director of the Northern Ballet Theatre, Chairman of Ripon Cathedral Development Campaign Executive Committee and a 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.

Cllr Joyce Edmond-Smith. Appointment commenced on 1 April 1997. She has been a councillor for 16 years and is a member of Brighton & 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 & Health Committee. She has served on the Brighton & 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.

Judith Hackitt. Appointment commenced on 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 Ministerial appointments nor is engaged in any political activity.

John Longworth. Appointment commenced on 1 April 2002. He is Group Trading Law and Technical Director of Tesco PLC. He is currently accountable 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 twenty 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 Governments' Advisory Committee on Packaging Waste and Recycling. He is not engaged in any political activity.

Maureen Rooney CBE. Commissioner Maureen Rooney died on 1 May 2003 after a long illness. Maureen was appointed to the Health and Safety Commission in October 2000 and brought to the Commission the qualities which made her an outstanding Trade Unionist. She had a deep rooted concern for the health, safety and working conditions of working people combined with a practical, no nonsense approach on how to improve health and safety on the shop floor. While serving on the Commission she championed the work of HSE dealing with the oil and nuclear industries. Her enthusiasm and commitment impressed HSE staff, employers, Trade Union representatives and all who came into contact with her.

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.

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 responsibility for health and safety transferred to the Department for Work and Pensions and from that date the 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.

Commission's duties

The Commission's statutory duties include:

- encouraging other people to secure safe and healthy working conditions;
- arranging for research and training to be carried out and encouraging others to undertake research and training;
- arranging for an advisory and information service for stakeholders;
- submitting proposals for regulations to Ministers; and
- paying to the Executive sums appropriate for it to perform its functions.

Commission's powers of action

The Commission's powers of action are wide. They include anything necessary to help them advance these statutory duties. The primary role of the Commission is to give strategic direction to the work of HSE. It also has powers to:

- approve and issue Codes of Practice ('Approved Codes of Practice' - ACOPs) with the consent of the Secretary of State, subject to consultation with Government Departments and other organisations;
- make agreements with any Government Department or person to perform HSC or HSE functions on HSC/E's behalf;
- make agreements with any Minister, Government Department, or public authority for HSC to perform functions on their behalf;
- give mandatory guidance to local authorities (LAs) on enforcement;
- direct HSE or authorise any other person to investigate and report on accidents or other matters, and subject to regulations made by the relevant Minister, directing inquiries to be held.

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 published 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/>).

WORK DURING 2002/03

Setting the strategic direction

The Commission continued the series of strategic reviews begun in 2001. It examined key instruments of policy available – economic levers (insurance, fiscal incentives, etc), law enforcement – in sessions to which external contributors were invited to stimulate and join in the discussion. The Commission was grateful for informative and interesting presentations from a range of UK and overseas speakers from the academic, regulatory, legal, Government and business spheres.

The Commission also agreed a new vision and high-level aims as a framework for their next Strategy. These will provide the key strategic directions to underpin the development of the new plan for 2004 and beyond. Consultation has begun inside and outside the organisation on five major themes: responding to a changing economy in a changing world; health issues, public protection and security; the role of local authorities; and managing the business. Other related discussions during the year have covered chemicals and pesticides, permissioning regimes, insurance, and economic incentives for improving health and safety. The findings from all of this will inform decisions about the long-term strategic direction of HSC/E.

Changing ways of working

The Commission pressed on with its change programme including a shift during the year from fortnightly to monthly business meetings, with additional meetings to deal with strategic issues.

Meanwhile Commissioners developed their new roles as ambassadors, champions or advisers across a wide range of activity. In a non-executive capacity they made valuable contributions to HSC's Priority Programmes.

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

Commissioners were increasingly involved in other important aspects of the work. For example, Judith Donovan advised HSE officials on a new Small Firms Allowance Scheme, and on a new small firms function for HSE. She also designed and oversaw work to investigate the right messages to motivate smaller companies to improve health and safety. Judith Hackitt joined HSE's Audit Committee to provide external scrutiny. Joyce Edmond-Smith continued to act as key link with local authorities. Owen Tudor took an interest in worker safety adviser sub-committee and John Longworth provided a link to the British Retail Consortium and stimulated HSE's thinking on 'so far as is reasonably practicable' and due diligence as a defence.

Influencing stakeholders

A key part of the Commissioner's role is to encourage those best placed to improve health and safety to take the necessary action, and the Commission is developing a programme of visits to major stakeholders' events, as well as creating new avenues to address those groups which cannot easily be reached through existing organisations. Commissioners attended numerous events, and addressed many different audiences during the year – too many to list here, but a few examples show the range of their engagements:

Bill Callaghan, HSC Chair, addressed the XVIth World Congress on Safety and Health held in Vienna. He also gave a Centenary Lecture to the Institution of Electrical Engineers in October 2002 as well as addressing many other organisations throughout the year.

George Brumwell attended the launch of a new discussion document on improving health and safety in construction and addressed the ASLEF conference in October 2002.

Margaret Burns acts as the Chair of the Commission's Railway Industry Advisory Committee and as such undertook an active role in the ERTMS public consultation, as well as attending the IOSH conference in Scotland.

Abdul Chowdry worked with the police force, and as champion of the Stress Programme spoke at the Engineering Employers Federation stress conference.

Joyce Edmond-Smith addressed the Royal Environmental Health Institute for Scotland, met with the Local Government Association, and attended Employers Forum meetings as a member.

Judith Donovan attended the Bradford Health and Safety Seminar in October and launched the Ready Reckoner amongst other engagements.

Judith Hackitt and John Longworth attended the Engineering Construction Industry Association meeting in December.

John Longworth and Owen Tudor took part in HSE's Revitalising Health and Safety Conference in May and also the Police Federation Conference in March 2003.

Finally, Maureen Rooney took a close interest in major hazards work. Both the Commission and HSE greeted the news of her death in May 2003 with great sadness.

Commission's Advisory Committees

The Commission's Advisory Committees continue to provide specialist knowledge and advice to the Commission. However, as the world of work changes so should the Commission's view of the world. A review of 'subject' and 'Industry' Advisory Committees led to new administration arrangements for most of the Commission's committees. Industry Advisory Committees underwent review against criteria proposed and agreed by Commissioners and the Commission delegated to the Executive administrative matters such as appointment and reconstitution arrangements. Commissioner Margaret Burns took on a new role as Chairman of the Railways Industry Advisory Committee. At the invitation of the Commission Chair, the Subject Advisory Committees produced horizon scans for the Commission to consider as background to the next Strategy.

MEMBERS OF THE HEALTH AND SAFETY EXECUTIVE

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.

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 NW 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.

He is married with three children.

Deputy Director General (Policy) Kate Timms CB

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.

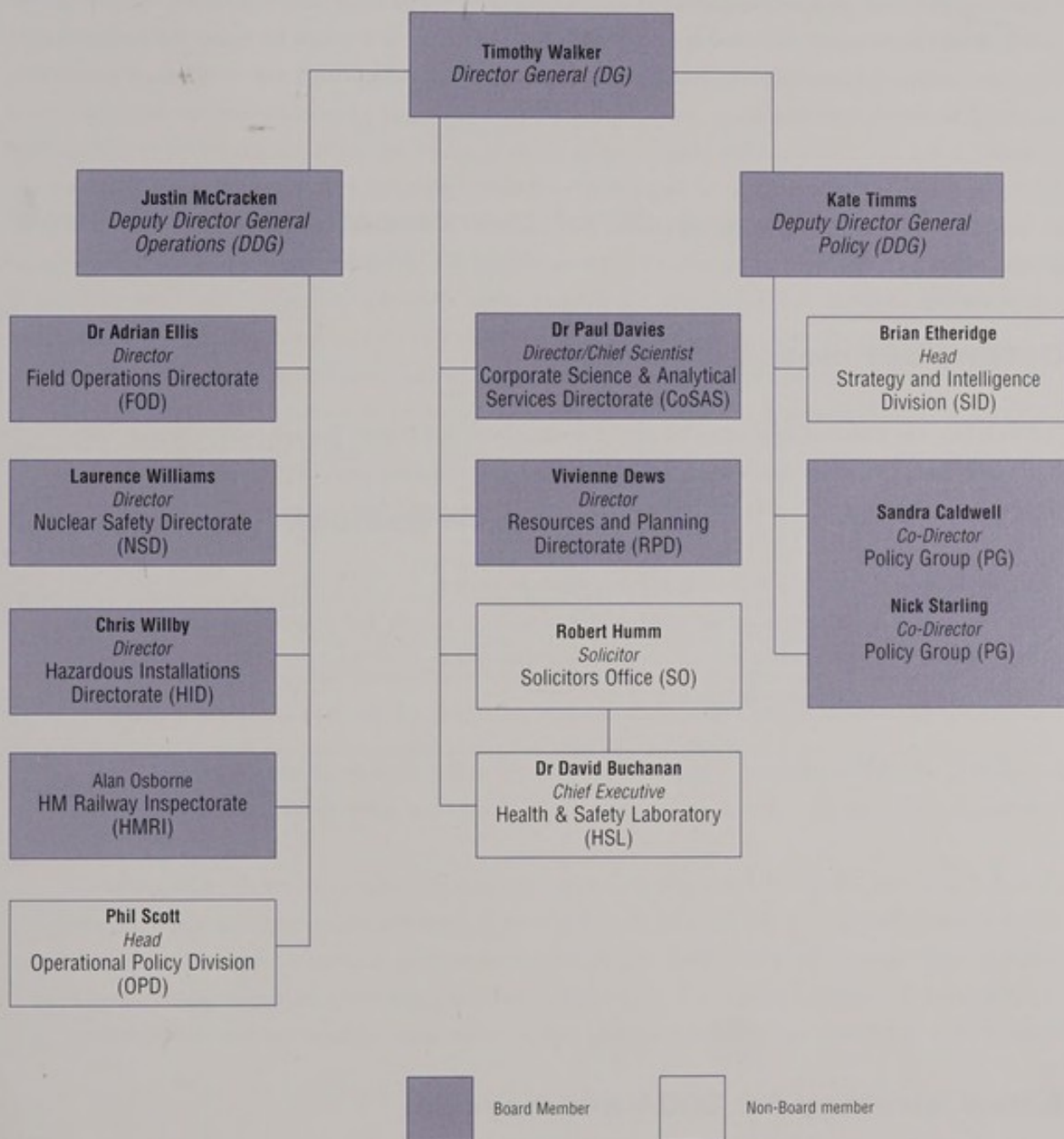
Kate was educated at St Hilda's College, Oxford where she studied politics, philosophy and economics. She was Director General for Agriculture and the Food Industry in the Ministry of Agriculture (MAFF) - now DEFRA (Department of Environment, Food and Rural Affairs) since 1996. Her responsibilities included 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 MAFF to spend a year in the post of Principal Finance Officer.

Kate also worked in the British Embassy in Paris 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.

HEALTH AND SAFETY EXECUTIVE STRUCTURE

September 2003



CHAIR'S FOREWORD

This Report describes what we have achieved against our Business Plan 2002 – 2003. It reports on the work we said we would carry out as our contribution towards achieving the national targets for health and safety set out in the Revitalising Health and Safety Strategy Statement. These targets are shared with Government as part of our Public Service Agreement.

The fall in the number of workplace fatal accidents for 2002/03, published in July, is encouraging. But there is no room for complacency, especially on ill health issues, and we will need to await publication later in the year of more extensive statistics including injuries and work-related ill health before we can make a judgment about overall progress.

Getting our message across

The wide range of activities undertaken by HSC/E is clear from this Report. But not enough people really understand our approach and how we regulate workplaces. In the coming year, the Commission wants to promote this understanding and I want to begin that process with three clear messages:

First, people have a right to have their health and safety protected.

A risk-free society is not something we could, or would wish to, aim for. But in a civilised society, people in offices, shops and factories, using the railways, and pursuing leisure activities have a right to be protected from excessive, unnecessary and preventable risk.

Second, HSC and HSE work together to protect people from work-related health and safety risks. The Commission works with the Executive to provide guardianship of workplace health and safety.

Third, HSC and HSE can succeed only with the support of employers, employees and the public. With 3.7 million enterprises and a workforce of more than 28 million in Great Britain, occupational health and safety cannot be the business of the HSC/E alone. We all have a responsibility to create a health and safety record that leads the world, and not only because it is a legal duty. Good health and safety management also makes good business sense. Employees, trade unions and safety representatives have an important role in this process.

A new strategy for 2004 and beyond

These messages reinforce our new strategy. The world of work does not stand still. Consequently, workplace hazards and risks are ever changing. The nation's health and safety strategy must aim to keep pace with such changes. And so since early 2003, in consultation with our stakeholders, we have been developing a new strategy to take the health and safety system to 2010 and beyond. At the time of writing we have done our initial thinking and are consulting on proposals that will continue to position health and safety as a cornerstone of a civilized society. Big questions remain about the future of the health and safety system and tough decisions have to be made about future resource allocation.

Potters Bar

In May last year, seven people were killed and over 70 injured when a commuter train derailed at Potters Bar. HSC directed HSE, under the auspices of an Investigation Board, to carry out an investigation into the events surrounding the accident. The Board published its final progress report in May this year which included observations and recommendations for improving rail safety. I would like to thank all those involved for the thoroughness of the reports and expect the lessons learnt from this tragedy will result in a safer railway system.

Working with the Department for Work and Pensions

In July 2002, responsibility for HSC and HSE transferred to the Department for Work and Pensions. In the months since, the Department has taken a very close interest in our work, particularly our contribution to delivery of the national health and safety targets. This interest is welcome. I have already referred to the merits of working in partnership. Together, we are focussing on refining our reporting systems and exploring other means of achieving our delivery targets.

Commissioner Maureen Rooney

Finally, Commissioner Maureen Rooney passed away on 1 May 2003 after a long illness. Maureen brought to the Commission the qualities which made her an outstanding trade unionist: a deep rooted concern for the health, safety and the working conditions of working people combined with a practical, no nonsense approach on how to improve health and safety on the shop floor. While serving on the Commission she championed the work of HSE dealing with the oil and nuclear industries. Maureen, and all she brought to our organisation, will be sadly missed.

DIRECTOR GENERAL'S FOREWORD

Delivery

I am pleased once again to report successes with delivery of our published plans in what again has been a busy and challenging year. While a small number of planned activities had to be postponed to make way for new priority work, and there was some slippage on more long-term or more complicated pieces of work, it was a very good performance in the four main blocks of work.

Priority Programmes: Most planned activities have been delivered and almost all selected milestones delivered. All Programmes have carried out activities over and above published plans with compliance activity particularly successful.

It is never easy to select activities for the spotlight but I am pleased that detailed analysis of HSE statistics and records helped target activity in *falls from height*; strategies have been crystallised in *workplace transport*; *work-related stress* management standards have been developed and are being piloted; a full programme of well-attended *agricultural* safety awareness days was held; the newly established *Construction* Division made major advances in operational techniques and achievements through compliance work and cooperation with intermediaries; stakeholder engagement in the *musculoskeletal disorders* programme is bearing fruit; the National Health Services of England, Wales and Scotland are committed to RHS targets or better, and roadshows carried out in the *Slips and trips* Programme galvanised delegates into action.

Major Hazards: During the year, HSE has been working to develop a target for major hazards. HSE is determined, in co-operation with the major hazards industries, to improve control of the risks; the targets will help everyone to focus on what needs to be achieved. We shall be "shadow running" the target during 2003/04 so that the approach can be tested and I will report more on this next year.

Mandatory Activities: European projects have largely proceeded to plan, with HSE also contributing where other Departments have the lead. HSE played an important part in the transition of Railtrack to Network Rail and the LUL PPP proposals. Significant contributions have been made to the development of the Rail Accident Investigation Branch and the Rail Safety and Standards Board. Good progress has been made to implement the Science and Innovation Strategy and the record on provision of information and advice is excellent.

Revitalising Health and Safety (RHS)/Securing Health Together (SHT): A major and well-attended stakeholder conference was held in May 2002 to encourage top companies to focus on health and safety improvements. The Securing Health Together Programme Action Groups have completed their initial work and produced conclusions. A workshop in November will look at next steps.

Securing Compliance: HSE's new Inspection Report Form was introduced within an exceptionally short timescale. The data collected using the new form will be of great use in evaluating the outcomes of inspection contacts and measuring the change in standards across industry on the HSC priority topics.

Operational Outputs and Performance Measures: This was another good year. The final outturn for numbers of regulatory contacts is 10% above profile. We investigated virtually all of the incidents that met our published criteria, although the changing pattern of incidents meant this amounted to 7.9% of the total rather than the predicted 8.2%. We have exceeded our business improvement targets and have reduced the proportion of staff payroll costs devoted to central services to 7% against a target of 8%. However, the final number of safety cases processed is below the expected profile because it has been necessary to return many cases to duty holders for further action. These will be carried over into 2003/04.

Managing the organisation: Good progress has been made against many of the 80-odd actions in the second year of a very detailed Management Plan. We have raised the profile of staff health & safety and agreed a stress strategy and an action plan. HSC/E published its Race Equality Scheme setting out challenging targets for the organisation with 21 specific actions to be completed by May 2003. Progress against each for year one is largely complete.

Other significant work

HSE's Change Programme: The Chair has referred to the development of a new health and safety strategy designed to keep pace with a changing world. The development of our Vision, Mission, Aims and Values has played a large part in this. HSE has been looking at how we can best meet the challenges from the new programmes. We must ensure that we are well equipped and effective as an organisation to deliver these. During 2002/03, progress has been significant. We have established a new Policy Group to enable integration of health and safety policy and are continuing to align resource with the strategic policies.

Investors in People: Finally, I am very pleased to report that HSE achieved Corporate Investors in People recognition: external recognition that we have clarity in our business objectives and that the training and development of people in HSE is aligned to those business objectives.

Part 1

Health and Safety Commission Annual Report 2002/03

SUMMARY

1.1 This publication reports on the work of HSC/E during 2002/03 and is based on the plans contained in the HSC Business Plan 2002 - 2003 (which in turn is based on the Strategic Plan 2001 - 2004 (see <http://www.hse.gov.uk/aboutus/plans/index.htm> published in September 2001). It also provides information about how HSE is managed, health and safety in HSE, progress with HSE's Management Plan 2001 - 2004, output and performance measures and legislative timetables.

1.2 Paragraphs 1.4 to 1.24 below describe:

- the basis for our current work;
- the programme blocks; and
- a summary of progress.

1.3 The HSC Business Plan 2002 - 2003 also sets out a wide range of outcomes and targets. We will be reporting separately on these before the end of the year after HSC's Health and Safety Statistics for 2002/03 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 (RHS). Strategy Statement. 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 Achieving half the improvements by 2004 is one of the targets in the Department for Work and Pension's Public Service Agreement (PSA) (originally in the PSA for our previous sponsoring Department - the Department of the Environment, Transport and the Regions) which was published following the Government's Spending Review 2000. 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 the Revitalising Health and Safety Strategy Statement. 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.

HSC plans

1.7 The Strategic Plan and the Business Plan 2002 – 2003 focus HSC activity on achieving the national targets for health and safety.

1.8 HSC's contribution is based around four programme-based blocks:

- 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').

Delivery 2002 - 2003

General

1.9 Most plans have been delivered or well progressed; regulatory outputs exceeded profile; and HSE achieved its best Business Improvement Performance. European projects are largely progressing to plan, with HSE inputting as necessary where other Departments have the lead. A number of domestic legislative projects slipped, but for sound reasons; and it has been necessary again in 2002/03 to return many safety cases to duty holders for further action - hence the final output performance measure is well below profile.

Revitalising Health and Safety

1.10 Annual health and safety statistics for 2001/02 showed little change, and as yet have not reflected the hoped for improvements. The baselines from the latest self-reported work-related ill health survey established for national working days lost and work-related ill health suggest the scale of the problem is greater than previously estimated. It has shown where we need to concentrate our efforts. Statistics for 2002/03 will be available in the autumn.

1.11 A major stakeholder conference was held in May 2002 to encourage top employers to focus on health and safety improvements, celebrate what had been achieved and commit to targets. Trade Unions and employers helped organise the conference and made a substantial contribution to the open sessions. Professional organisations and Trade Unions continue actively to support major initiatives in many industries. During the year HSC/E senior staff visited the top 350 companies to raise the profile of health and safety and

the pilot development of 'national account managers' for 15 top organisations was launched. The Government and HSC's challenge to companies to publicly report on health and safety has gone well. For example, the recent research report at <http://www.hse.gov.uk/research/rrhtm/rr135.htm> indicates the number of FTSE100 companies publicly reporting has risen to 91%, compared with 56% in the baseline report. (See page 64 for the detail of activities.)

1.12 RHS has a homepage on the HSE website, which can be found at <http://www.hse.gov.uk/revitalising>

Securing Health Together

1.13 Securing Health Together is a ten-year strategy. Further work has been undertaken that will deliver results later in the strategy. Examples included a review of the Partnership Board; completion of initial work by the five Programme Action Groups (reports will be published in 2003/4), creating a database of 60 good practice projects and rebuilding the website: <http://www.ohstrategy.net/>, identifying new information sources for improved target monitoring and building a better evidence base for action, and surveying current use of occupational health support in GB. Achievement of the Securing Health Together targets is about partnership, working to achieve common goals. Examples that came to fruition during 2002/03 included HSE funding of a pilot telephone occupational health and safety helpline in Lanarkshire, now upgraded to a national service for Scotland with Scottish Executive funding (Tel: 0800 019 2211, <http://www.hebs.com/safeandhealthyworking>); and HSE support for the TUC development of training materials (<http://www.hazards.org/diyresearch/index.htm>) for safety representatives on how to identify and tackle health hazards in the workplace with groups of workers. (See page 66)

Priority Programmes

1.14 The majority of planned activities have been delivered or well progressed together with almost all selected milestones achieved. All programmes have carried out activities over and above published plans. Particularly successful has been compliance activity where output in almost all cases exceeded plans. (See page 8)

Work in major hazard industries

1.15 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 Accident Hazards Regulations (COMAH), explosives and the mining, offshore and nuclear industries. (See page 37.)

During 2002/03 HSE conducted a major consultation on our overall approach to 'permissioning regimes', ie those where the safety regulator issues a licence or accepts a safety case. This led to the adoption and publication by HSC of an important policy statement 'Our approach to permissioning regimes' in March 2003. This statement explains the philosophy adopted by HSC/E in regulating health and safety in hazardous industries and provides a framework of 10 core principles. Work has also been undertaken to develop targets for major hazards. HSE is determined, in co-operation with the major hazards industries, to make further improvements in the control of risk and the targets will help everyone to focus on what needs to be achieved. This new target will shadow run for a year so that the approach can be tested.

Securing compliance

1.16 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 with inspecting high-risk premises. (See page 55)

Mandatory activities

1.17 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 Health and Safety at Work etc Act 1974. :

- 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 beginning on page 64.

Managing the organisation

1.18 This section includes information on a wide range of management and business issues, eg staffing, prompt payment of bills, charging, green housekeeping. (See page 91.) Of particular note is that HSE achieved corporate liP status: notified in May 2003.

Health and Safety in HSE

1.19 HSE has significantly raised the profile of staff health & safety, agreed a stress strategy and developed an action plan and completed a benchmarking exercise with the Highways Agency which was of benefit to both organisations in demonstrating areas for improvement. (See page 103)

The Management Plan

1.20 This is the second year of a very detailed Plan. Good progress has been made on many of the numerous actions. (See page 105) Delivery of the priorities set out in this Plan has continued against the background of a wider programme of change in HSE designed to make HSE a more modern, responsive and flexible organisation which will deliver improved health and safety. The overall emphasis within the Change Programme is on behavioural change and new ways of working. New organisational structures have been put in place to facilitate those ways of working and to respond to the challenges set by the Strategic Plan, including implementation of the priorities in the Management Plan. The Change Programme was established early in 2002/03, based on the outcome of a scoping project conducted towards the end of 2001/02. During 2002/03, in structural terms, new Directorates and Divisions were set up: the Strategy and Intelligence Division, the Policy Group and the Corporate Science and Analytical Support Directorate. In addition, sector work has been reviewed with changes aimed at a coverage better reflecting the current mix of the economy; science and technology support has been moved into Operational Directorates and the Policy Group so as to strengthen the links between operations and policy. 'Ways of working' workshops have been piloted and will be rolled out for all staff across HSE in 2003/04. Most importantly in terms of our role, there is now a clear statement of our

Vision, Mission, Aims and Values and this will inform work on the new Strategy which is currently being developed.

Operational Outputs and Performance Measures (OPMs)

1.21 The final outturn for numbers of regulatory contacts is 10% above profile; for % of incidents investigated: 7.9% (0.3 percentage points below the end year target of 8.2%); and the outturn for the % of complaints investigated is 85% (2 % below the end year target). The final number of safety cases processed is below the profile.

1.22 A mixed picture emerges from remaining OPMs. Some have been well achieved. Outturn on % staff payroll costs devoted to central services is 7% against a target of 8%. The Business Improvement Plan shows savings valued at £12 655 581 for the year achieved through a combination of cash savings and quantifiable added benefits. *This is equivalent to 6.1% of total administrative costs in resource terms (excluding HSL) of £207 224 606.71 - exceeding our target of 3% for year-on-year savings.* (See page 127)

Legislative annex

1.23 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.
(See page 128)

Further information

1.24 In addition to publishing this report as a printed document, you can also find it on the HSE website. 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 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 <http://www.hse.gov.uk/contact/index.htm> Staff here can help answer general enquiries and tell you about our publications.

PRIORITY PROGRAMMES

Introduction

1.25 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
- slips and trips (*broadened beyond former LA remit to tackle in addition the 75% of slips and trips major injuries occurring within HSE-enforced premises/activities*).

1.26 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.

1.27 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 2002/03 follows.

Table 1 Falls from height

This Priority Programme has strong links to other Priority Programmes on agriculture, construction and workplace transport. Key messages for the programme are to encourage duty holders to: design out the need for work at height if possible; plan and use safe systems for all work at height; to select, use and maintain suitable equipment; to ensure that all those involved in work at heights are competent; and to ensure that when work at height is necessary it is properly managed and supervised.

Plans for 2002/03

Selected milestones

- Agree and publish surrogate measures for measuring progress.
- Review quarterly progress with programme of compliance visits.
- Publish consultation document on the implementation of the Temporary Work at Heights Directive.
- HSE and local authorities will carry out targeted inspections programmes; and
- a programme of increased investigations and verification inspections addressing risks of falls from height on offshore installations will be pursued.

Compliance

- HSE will implement the Temporary Work at Heights Directive (by summer 2003) addressing all aspects of work at height, including selection & use of equipment and training.

Continuous improvement

- Projects will be developed to address designing out the need to work at height, to introduce safe systems of work, and on the availability and use of suitable equipment;
- individual projects to target key aspects of falls from height will be developed including methods to encourage better management of risks through, for example, inspection and publicity initiatives with external organisations; and
- projects will include a combination of compliance-related activity, publicity, initiatives with trade associations, intermediaries etc, and other activities.

Progress during 2002/03

Programme is using various indicators to measure its impact and progress. These include questionnaires and surveys following interventions/activity, requests for advice/information/presentations relating to programme activity. Decision taken not to publish surrogate targets but to work to overall Revitalising targets.

Number of visits undertaken exceeded plans. Performance in addressing the falls hazard is being measured/reviewed by comparing outcomes of programme of compliance visits.

Publication delayed until summer 2003 as a result of extensive internal & external consultation on drafting of regulations.

Time spent on targeted, topic based inspections by HSE exceeded forecast plans by 73% - planned allocation was 6 075 staff days and outturn was 10 529 staff days. This excess in activity was reflected in the number of inspections undertaken and the number of enforcement notices issued.

Programme put in place. Aim is to achieve a 15% reduction in falls by 2004.

Implementation delayed until summer 2004 as a result of extensive internal & external consequence.

Projects, including research projects, have addressed these issues. Conclusions/outcomes are being/will be shared and used to inform future programme activity. Targeted projects have been developed in consultation with stakeholders - including Trade Unions. For example we have worked with the Union of Construction, Allied Trades and Technicians (UCATT), Amicus-AEEU and the Electrical Contractors Association (ECA) to target falls amongst electrical and maintenance fitters. Also started work with relevant trade associations on a project targeting falls from vehicles in the workplace and with local authorities to address the issue of falls in primary schools.

Knowledge

- Work to develop HSE's knowledge base will be completed.
- Ongoing research will be continued, and further work will be commissioned to support the programme.
- Ongoing evaluation of both individual projects and the programme as a whole will examine whether approaches are effective in the long term.

Skills

- Projects will be developed to address the competence of those carrying out work at height and the management and supervision of this work.

Detailed analysis of HSE's statistics undertaken and now being used to inform programme activity. It has led us to the conclusion that particular attention needs to be paid to the high number of low falls from height and the work sectors where these falls are occurring.

Programme of research projects progressing satisfactorily. Research strategy for the programme has prioritised areas where new work is needed.

Evaluation is taking place as and when the need arises. Results of evaluation are being used to plan future programme activity, eg the evaluation of the approach used in a project targeting ladder accidents amongst maintenance fitters, where the combination of a toolbox talk and the issuing of an 'angle aid card' was used, has confirmed that the target audience found the approach helpful. We are now giving consideration to replicating the approach elsewhere.

These elements are being considered as part of the topic based inspection programme being undertaken.

Other significant activities

- The programme has established good links with a variety of stakeholders both within and outside HSE.
- Work is being taken forward in collaboration with the Workplace Transport PP to address the issue of falls from vehicles, particularly during the sheeting and unsheeting of lorries.

Table 2 Workplace transport

The programme has strong links to other Priority Programmes, especially on agriculture and construction. Stakeholder involvement is vital for the success of this Priority Programme. Priorities for this year have been to engage stakeholders in the development of a strategy to improve safety in workplace transport and to improve the management of workplace transport activities. With the help of stakeholders we have identified three areas for action: concentrating on the site, driver training and competence and vehicle design. Strategies for reducing accidents in all three areas have been developed and work to implement them is being taken forward in 2003/04.

Plans for 2002/03

Selected milestones

- 10 May 2002 - end of consultation period on discussion document *Preventing workplace transport accidents*. By August 2002 - development of strategy.
- October 2002 - conference to discuss proposals for way forward.

Compliance

HSE will:

- publish research reports and external and internal guidance to aid compliance;
- carry out inspections and investigations of workplace transport activities; and
- work with local authorities to prioritise their inspection effort towards the segregation of vehicles and pedestrians.

Progress during 2002/03

149 responses received to the discussion document. These responses and other discussions with our stakeholders helped to crystallise our decision to develop three strategies concentrating on the site, driver competence and training and vehicle design.

Conference in October 2002 was a great success when employers from many sectors of industry, workers and unions rallied behind the proposals.

Specialist Inspector time invested in providing, for example, detailed information on causal factors of all investigated accidents on trucks over a four-year period (published). Two external pieces of guidance were prepared for publication in 2003/04:

- a) a complete revision and rewrite of HSG136 *Workplace transport safety*;
- b) a suite of free leaflets, in support of HSG136, but targeted specifically at employees will be going out for wide consultation during 2003/04.

Approximately 10 000 days were spent in total on the topic, including 20 000 preventative inspections and 800 enforcement notices.

HSE's Field Operations Directorate (FOD) put on two seminars specifically for LA inspectors in London and Glasgow. The purpose was to inform LAs what was happening on topic-based inspection; promote the workplace transport Priority Programme; emphasise the importance of segregating vehicles and pedestrians; and made available to LA inspectors the same guidance that HSE inspectors had access to.

Continuous improvement

- Working with stakeholders, HSE will develop a web based databank of good practice information and make this freely available; and
- investigate the application of CCTV to road going vehicles and if necessary produce guidance on this.

Knowledge

- A CD-ROM providing interactive means of assessing driver competence will be developed and will be made freely available; and
- research on the financial costs of workplace transport accidents, the novel design of lift trucks to improve visibility for drivers when travelling forward and the behavioural aspects of workplace transport accidents will be commissioned.

Skills

- HSE is seeking the views of stakeholders on whether a more prescriptive training regime for drivers is required. Further work will be done on the development of strategy in this area following comments received during the discussion period.

Support

- HSE is seeking the views of stakeholders on what improvements they would like to see to existing guidance on managing workplace transport risks.

Work has started on the web pages in consultation with HSE's Directorate of Information and Advisory Services (DIAS). This is ongoing, although pages will be available in the first quarter of 2003/04.

Proposals are being considered as to how best to maximise benefits of CCTV. Intended outcome is to produce training material for drivers of different types of Large Goods Vehicles (LGVs) which is about to be launched. The views of drivers, their employers and clients will also be sought.

The CD-ROM was developed in partnership with large companies from the construction and retail sectors and successfully launched in October 2002. The first 5000 copies were made available free and responses are being evaluated.

The benefits to be gained from the proposals have been re-evaluated and a research plan for 2003/04 has been put in place.

Overwhelming support for a more prescriptive training regime including competence assessments and refresher training. We are now in negotiation with the Driving Standards Agency (DSA) and the Driver and Vehicle Licensing Agency (DVLA) with a view to consulting later in 2003/04 on a workplace transport driving licence. The HSE Solicitor has been consulted on the necessary changes to Provision and Use of Work Equipment Regulations 1998 (PUWER): regulation 9.

Stakeholders indicated that the amount and quality of guidance relating to workplace transport was appropriate but that they had difficulty in keeping up to date with what was available. A decision has been taken to consolidate all guidance into one priced booklet and seven free leaflets. These will be available on the website and through usual sources.

Other significant activities

A project led by FOD Wales and South West 'Delivering Milk Safely' brought together the duty holders who share responsibility for workplace transport safety in the milk and dairy sector. Industry representatives heard the results of inspections at factories, farms and, in co-operation with local authority inspectors, at retail premises. Duty holders are going to improve communication and agree common standards.

Table 3 Musculoskeletal disorders

Musculoskeletal disorders (MSDs) account for over one third of all working days lost due to work related illness. But they are well understood and we know how to manage them. The programme uses this know-how for practical interventions in the framework of the occupational health strategy *Securing Health Together*. It promotes a comprehensive approach involving all individuals and organisations in the workplace. A significant element is aimed at securing compliance with relevant legislation, which requires the application of ergonomic ideas to provide effective and efficient solutions.

Plans for 2002/03

Selected milestones

- Improve the management of MSDs by applying and reviewing a new inspection approach to the HSE enforced sector which focuses on things that make a difference to the management of MSDs and records employers' performance using three risk control indicators (avoidance and control; instruction and training; and management commitment and worker involvement).
- Publish revised guidance on the Display Screen Equipment (DSE) Regulations to aid compliance.
- Promote the implementation of revised guidance on the prevention and management of work related upper limb disorders (WRULD).
- Disseminate the lessons from the Back in Work initiative to stakeholders through, for example, events to promote integrated approaches to managing back pain.

Compliance

- Target inspection and enforcement where there is known high risk, for example lifting heavy building blocks and kerbstones in construction and handling people in physiotherapy and occupational therapy in selected NHS trusts;

Progress during 2002/03

FOD proactive inspection has exceeded the planned time for MSD work. Enforcement activity has increased significantly. 6 600 days were spent on MSDs compared with a planned 5 400 days. Notices relating to MSDs are up 25% to 366 compared to 292 last year. (The number of Improvement Notices rose by 34% - from 247 to 331.)

Published on 28 February International RSI (Repetitive Strain Injury) day, and launched by HSC Commissioner Owen Tudor.

Free leaflet, INDG171, launched as above. Leaflet and its messages promoted in press release; LAU, Express, and Department of Health (DoH)/HSE *Sign Up* newsletters; HSE's MSD web pages. HSG60 promoted at Joint Scottish IOSH (Institution of Occupational Safety and Health) Conference on MSD, November 2002.

Lessons disseminated through ISGMD and publicised on *Securing Health Together* and MSD Priority Programme Websites. Evaluation Report *Back in work* published. Presentations to sectors, stakeholders and industries, eg CORUS, Engineering Employer's Federation (EEF), LA Forum.

In construction, inspection focussed on manual handling of kerbstones. Raised risk awareness, commitment to 'designing out' the problem/ and greater use of lifting machinery. In **NHS trusts**, private hospitals and care homes were inspected and 61 Improvement Notices (INs) served concerning manual handling. Where relevant, inspection focused on physiotherapy and occupational therapy.

- campaign in agriculture to emphasise the need for manual handling training where mechanical handling is not reasonably practicable; and
- work with local authorities to improve enforcement of DSE regulations in the local authority enforced sector, and create a 'DSE club' to foster the exchange of information on compliance.

Continuous improvement

- Promote, ergonomic interventions with stakeholders and establish integrated approaches to the management of WRULD and lower back pain;
- work with stakeholders in docks and air transport to build support for the Priority Programme and promote the use of physiotherapy and related support;
- set industry targets with Water UK the water industry trade association;
- continue to encourage rehabilitation in the textiles industry;
- provide support to the proposed NHS Back in Work campaign; and
- evaluate larger agricultural and horticultural companies' approaches to MSD.

Knowledge

- Publish a research strategy for WRMSD;

Inspectors continued to emphasise the need for good manual handling technique training in agriculture. 15 INs served in relation to MSD in agriculture.

Produced six editions of DSE Forum to inform LAs about DSE issues and exchange information. Three pilot projects run by LAs involving workshops, new inspection forms and surveys of DSE use are all at different stages.

Working Backs Scotland and RHS work in several FOD sectors. The Corrugated Packaging Association (CPA) in association with the Graphical Media and Paper Union (GMPU) now has a national rolling programme to create a behavioural change in workers and a management action plan for use throughout the industry.

RHS in Air Transport project (RHSAT) developed liaison with stakeholders, presentations and training courses. Conference planned for 7 April 2003. In docks the industry has signed up to stiffer RHS targets than the national ones.

Resources for this activity were re-prioritised.

HSC's Textile Industry Advisory Committee (TEXIAC) MSD Working Group has continued to promote increased take-up of rehabilitation across the industries but the response has been disappointing.

Health Sector input into first tranche of supporting leaflets for campaign. Publicity/support to initiative given at speaking opportunities to stakeholders nationally and locally.

Resources diverted to support work by intermediaries reviewing the provision of Manual Handling training (Transport and General Workers Union (TGWU) and NAPAEO) and researching scope for reduction in pack sizes packaged goods (CPA and United Kingdom Agricultural Supply Trade Association (UKASTA)).

Research Strategy agreed and will be published on the MSD web pages June 2003.

<http://www.hse.gov.uk/msd/pdfs/researchagenda.pdf>

- evaluate construction design methods and provide practical solutions to MSD risks affecting particular construction trades;
- seek examples of good practice solutions from intermediaries and inspection intelligence on, for example manual handling in plastics;
- examine injury rates and frequency/weight of unit loads lifted in the food and drink sector to inform advice to reduce unit weights;
- analyse incident investigation reports in the health sector and offshore to establish causes and identify targets for action and areas of further research;
- assess the extent and sources of WRMSD in typical farming systems; and
- assess the nature, distribution and incidence of ill health caused or made worse by work in the local authority enforced sector.

Skills

- Produce inspection packs and training to enable HSE and local authority inspectors to identify WRMSD risks and take appropriate action;
- continue WRMSD enforcement training for HSE and local authority inspectors;
- develop further guidance and training on good practice in patient handling;
- develop training material, for use by training providers in the ceramics sector;
- complete the training of agricultural inspectors in manual handling techniques;

Research mapped health hazards and risks in the construction process. Another project examined MSD in bricklayers, carpenters and plasterers.

A joint working group has identified the high risk areas and solutions are being identified with industry.

Research completed results inconclusive because of insufficient data available.

In the health sector initial analysis carried out, further work ongoing. Initiative to look at theatre nurses in 2003/04 is one outcome. Ambulance work was confirmed as a high hazard occupation. **Offshore** work has stalled because of the limited number of incidents for investigation.

Not taken forward because of constraints on the research budget.

Kings College research identified priority hazards and activities to focus local authority's enforcement and promotional activities. These have been highlighted in the Health and Safety Executive / local authorities Enforcement Liaison Committee (HELA) work plan for 2003-2004 and includes work on MSDs.

Training in use of the inspection packs has been given to FOD inspectors, some Hazardous Installations Directorate (HID) and local authority inspectors, and to Health and Safety for Northern Ireland (HSENI) inspectors.

Three enforcement courses held: 70 delegates trained.

Two further case studies identified and are being written up for dissemination during 2003.

'Ceramics pledge' RHS initiative includes training pack and ceramics certificate in health and safety management.

Six manual handling courses run; 60 inspectors trained.

- organise skills exchange for manual handling trainers in agriculture;
- identify training needs for health professionals to improve management of WRMSD, and particularly WRULD.

Support

- Develop further guidance for sectors and activities with a high risk of MSD, and encourage effective ergonomic interventions;
- encourage larger companies to provide support (best/good practice) for small firms using case study material from, for example, the glass industry;
- develop further advice based on research into MSD risk factors for construction trades and associations;
- provide guidance on the design of wheels and bearings on trolleys to reduce risk from pushing and pulling loads enabling purchasers, in the food industry especially, to specify safer and more efficient trolleys.

Decision taken to await results of IOM research into *Good Manual Handling - achieving a consensus* (published 15 April 2003) work to proceed in 2003-04.

Following the Competition of Ideas, two projects have been selected for funding to review the training needs of occupational health professionals. One project concerning occupational health nurses and physiotherapists began on 20 February. The other project will focus on occupational physicians and general practitioners. It is expected to start within the next six months. Work on the diagnostic aid will be taken forward in the light of the results of this research and other developments on the management of musculoskeletal disorders.

Additional guidance on MH has been produced or is in process, eg cleaners (to be published May 2003) (developed in association with, and based on research supported by, UNISON), dock work and a motor vehicle repair checklist that included MH.

'GLASS Charter', the glass industries continuing RHS initiative enables large employers to provide small and medium-sized enterprises (SMEs) with best practice guidance and access to their health and safety information, expertise and knowledge.

Research reports published: *Musculoskeletal problems in bricklayers, carpenters and plasterers: literature review and results of site visits* ERG/01/01 Dr AJD Pinder HSL and *Mapping health hazards and risk across aspects of the construction process*. Institute of Occupational Medicine CRR 447/2002.

Food Information Sheet No 33: *Roll cages and wheeled racks in the food and drink industries: Reducing manual handling injuries*. Issued April 2003.

Other significant activities

Development of MSD web pages on HSE website and HELA website. Both sets of web pages are live. They include case studies on MSDs, useful information, links to other sites, live issues and information about the PP. See <http://www.hse.gov.uk/msd/>

Development of manual handling assessment chart (MAC): MAC released to HSE and LA inspectors on 5th November 2002.

Worked with BackCare on revision of guidance *Back Care at Work: an Ergonomic Guide to Manual Handling Guidance* published on 15th April 2003. HID companies making manual handling related RIDDOR reports (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations), and the injured person, targeted with questionnaire (based in part on MAC) and advice pilot successfully completed – yielded some very useful information and will now proceed to a full year of targeting all reporters (c 800 per annum).

Table 4 Work-related stress

This Priority Programme initially focuses on working with partners to develop clear, agreed standards of good management practice for a range of stressors and to better equip HSE inspectors and local authority officers to handle work related stress during routine work. HSE is also supporting publicity and guidance to educate employers and employee representatives especially on risk assessment. This programme has particular links to the Health Services Priority Programme.

Plans for 2002/03

Selected milestones

- Complete consultation of the first phase management standards through the Occupational Health Advisory Committee (OHAC) and pilot the first phase management standards.
- Carry out a qualitative evaluation of guidance that was published in June 2001.
- Develop training materials for managers and safety representatives on stress risk assessments.
- Focus on work related stress in European Week of Safety and Health 2002, highlighting practical action that managers can take to tackle work-related stress, as described in *Tackling work-related stress: A managers guide to improving and maintaining employee health and well-being* (HS(G)218).

Progress during 2002/03

Draft standards developed in consultation with pilot organisations. OHAC consulted April 2003. Pilot study underway. Wider stakeholder engagement, including Trade Unions, underway.

The guidance will be evaluated autumn 2003 to allow time for the awareness raising campaign to impact.

Framework for web pages developed including stress risk assessment walk through, case studies and model stress policy.

An awareness raising campaign ran over summer 2002 to promote practical action in the build up to European Week. New web pages launched during the week. HSE staff participated in around 85 conferences and events, prepared presentations for senior managers, including a speech to the Trade Union "stress" conference and hosted a visit from Swedish Labour Inspectorate.

Compliance

- Improve duty holders' awareness of the organisational factors that can cause stress and assess the extent to which they have carried out risk assessment, during all pro-active inspections where there is a significant risk of stress.

Continuous improvement

- Complete and prepare a report on the local benchmarking pilots;
- based on research results, gather information about best practice in prevention and rehabilitation with a view to publishing in 2003/04; and
- identify stress levels in NHS Trusts by establishing baselines for sickness absences, violent incidents and other factors.

Knowledge

- Gather information on the prevalence of work related stress in the local authority enforced sector; and
- improve knowledge of stress levels in NHS Wales through questionnaire analysis.

Skills

- Improve the skills of key HSE Field Operations Directorate (FOD) and local authority personnel who are involved in proactive inspection on stress.

Support

- In the health services ensure that duty holders are aware and implementing the Health Services Advisory Committee's guidance.

954 days have been spent on proactive and reactive stress inspection activity which equates to about 8 inspector years. Stress has been raised as an issue at 1785 inspections. These outputs are below plan because of the time taken up with assessing new approach.

Cross-Government benchmarking group met again in February 2003. Work ongoing to consider existing networks. Report on Health Action Zone on website.

Final report for research on rehabilitation in stress cases received May 2003, and research to identify best practice in prevention of stress due June 2003.

National Audit Office (NAO) report found two-thirds of NHS trusts believed work-related stress had increased over the past three years but many could not produce data to support this view and others did not know the trends in their trusts.

Information gathering system developed for local authority inspections. Data collected from April 2003.

Baseline data gathering to identify stress levels in NHS Trusts has been taken forward but meaningful data does not appear available through the Trusts and will have to be gathered through other sources.

Training on content and use of Stress Inspection pack delivered to all FOD inspectors and approximately 100 LA inspectors Training course for inspectors designed developed and piloted February 2003. Evaluation completed and further course planned for November 2003.

Research on *Interventions to control stress in hospital staff* published. Guidance being written and due to be published during 2003/04.

Other significant activities

To support the development of the management standards:

- A suite of tools has been developed to facilitate the pilot process, including advice on employee engagement, risk assessment, development of the business case and guide to interventions.

- A research proposal outlining further analysis of the Whitehall II data set has been agreed. Research will commence during summer 2003.
- ACAS has been engaged to offer support to pilot organisations.

Table 5 Construction

This programme is taking forward actions over a broad front to engage with all stakeholders including clients, contractors, designers, suppliers and workers. Key elements include improving knowledge on health and safety performance; promoting the business case for successful health and safety risk management; developing the regulatory framework and supporting guidance, developing effective compliance strategies and ensuring vigorous enforcement to address shortcomings in duty holders.

Plans for 2002/03

Selected milestones

- Implement a new intervention strategy to secure compliance through inspections, investigations and, where required, formal enforcement involving all those in the construction procurement and supply chain, focusing on cultural change.
- Roll out local events- Safety and Health Awareness Days (SHADs) – targeted at difficult to reach small and medium sized enterprises (SMEs).
- Publish a discussion document (DD) on construction health and safety to contribute to the review of the CDM and Construction Health, Safety and Welfare (CHSW) Regulations.
- Commence construction occupational health support services pilot study.

Progress during 2002/03

Intervention strategy published in May 2002. We have encouraged innovative, more effective and more efficient working to secure improved duty holder performance and cultural change through a range of techniques including early interventions, work with major projects and a 'Government as client' initiative. Indications that this approach is producing positive results.

In partnership with industry stakeholders, promoted SHADs catching the imagination of major industry players, local companies, LAs and Working Well Together (WWT) groups. Thirteen events held across GB attracting 2300 delegates from SMEs and micro businesses. Vast majority from businesses previously unknown to HSE. Similar events for designers also successfully held to improve their understanding of the Construction (Design and Management) Regulations (CDM) duties and 'Revitalising'.

DD published Sept 2002. Well received by the industry, over 300 responses were received with wide-ranging views about possible change. Summary of responses published April 2003. Work to analyse and develop proposals for action by HSE and others.

Project progressed with an agreed model that has been tested with the market. Greater industry 'ownership' encouraged through establishment of an Action Forum supported by employer organisations and Trade Unions.

- Trial the worker safety adviser pilot.
- Establish new HSE field division dedicated to inspecting the construction industry.

Compliance

- Give priority to improving compliance in falls from height, workplace transport, musculoskeletal injury from heavy blocks and kerbstones, hand arm vibration and noise.

Pilot completed November 2002 with considerable enthusiasm and commitment from construction participants (the Trade Unions and an employer organisation). Report being drafted.

New Construction Division established and major advances in operational techniques and achievements through compliance work and work with intermediaries.

COMPLIANCE

Exceeded planned 37 000 regulatory contacts (including 16 000 inspection contacts). Created opportunities for earlier project engagement and work with supply chains and their clients. Investigated 1400 accidents and 8700 complaints. Issued 2500+ Prohibition Notices (PNs) & 700+ INs. Successfully prosecuted 222 companies for 375 breaches of the law. Used Inspection Rating Form ensuring priority topics targeted at all relevant inspections.

FALLS

Promoted re-engineered safer processes, eg pre-cast flooring erection. Eight widely publicised GB-wide 'blitzes' with falls as a major theme. Falls the main focus of enforcement activity.

TRANSPORT

Focus on pre-planning, segregation, reversing and visibility. Concerns over variable standards, particularly public protection at housing sites. Successful transport 'blitzes.' Transport a core topic for SHADs.

MUSCULOSKELETAL - BLOCKS AND KERBS

Operational and intermediary activity focused on manual handling of kerbs following earlier successes of 'single issue' foci on bagged products and heavy blocks. Increased commitment to 'designing out' the problem and increased use of mechanical lifting.

NOISE

Inspection initiative on noise control made steady progress. Some good practice identified. Audiometry for 'at risk' workers observed.

HAND-ARM VIBRATIONS (HAV)

Targeted high risk processes such as manual pile cap removal and scabbling. Designers have better understanding, workers have increased awareness and some good health surveillance practices found.

Continuous improvement

- Stimulate, monitor and review the delivery of action plans produced by key 'Umbrella' bodies at the February 2001 Construction Summit to ensure they are driven across and down the industry; and
- encourage industry to promulgate its own health and safety guidance for high-risk processes.

Knowledge

- Continue to improve the quality of intelligence on health and safety performance in the construction industry;

- complete and review key research projects into incident and ill health causation; promulgate the conclusions and review incident investigation procedures in light of the outcomes of research; and

Evidence of good progress on commitments made by industry through Summit action plans, particularly on competence. Some 500 000 workers (approximately 30% of the workforce) now hold competence-based health and safety cards. (See also Chief Inspector of Construction's report to Ministers
www.hse.gov.uk/spd/pdf/report2.pdf)

Worked in collaboration with industry bodies and stakeholders, supporting wide-ranging action by them including:

- Major Contractor Group's occupational health management policy.
- The scaffolding industry progressing SG4, their guidance to safe erection of scaffolding.
- The precast flooring manufacturers using 'fall arrest' systems such as air bags.
- Continued development of non-fragile roofing materials.
- Promoting improved construction machinery driver visibility.

Strategy identified and intelligence gaps filled through better use of existing data and targeted research. Results widely promulgated through revised construction fact sheet and research reports.

Completed two separate research projects identifying underlying causative factors: further developed an 'influence network' to identify levers for change and to inform programme development.

Completed research into ladder safety – fixing, footing and stability devices.

Published *Mapping health hazards and risks across aspects of the construction process*. Also published *MSD problems in bricklayers, carpenters and plasterers*.

Completed two separate research projects identifying underlying causative factors: further developed an 'influence network' to identify levers for change and to inform programme development.

Completed research into ladder safety – fixing, footing and stability devices.

- commission research into work related ill health in construction.

Skills

- Continue work from 2001/02 to influence the initial training and continuing professional development of engineering, design and architectural professionals;
- construct a website of teaching aids for lecturers/students in undergraduate construction courses and monitor impact; and
- continue to stimulate and support a pan-industry strategy for accreditation of all on site.

Support

- Continue to support HSC's Construction Industry Advisory Committee (CONIAC) –WWT campaign and other methods to promote worker awareness and good practice; and
- develop a new publicity strategy to reach all parts of the construction industry.

Published *Mapping health hazards and risks across aspects of the construction process*. Also published *MSD Problems in bricklayers, carpenters and plasterers*.

Worked through construction industry Council to progress initiatives on professional competence: limited success with designers.

Stand-alone website established and welcomed by educationalists.

Continued support to pan-industry initiative that has competence assessed 0.5 million workers through the Construction Skills Certificate Scheme (CSCS), an industry-led scheme supported by Trade Unions and employers.

In addition to SHADs, wider SME engagement under WWT campaign through industry-led local and regional WWT support groups, the WWT bus tour, the National WWT Conference and awards, including for the first time, a No.1 Worker Award received by a TU Safety Rep.

A dedicated team established to deliver the full spectrum of construction publicity, media and publications needs to deliver a new communication strategy reflecting WWT, small firms communication, advertising campaigns, exhibitions and free media, etc.

Other significant activities

Successful major publicity initiative involving press, regional radio adverts, billboards and posters targeted at micro and SMEs on falls. 181 news releases targeted at the specialist industry press and national organisations.

Table 6 Agriculture

The main thrust of activity in this programme is to improve knowledge of health and safety and thereby compliance with health and safety law. Working with others, HSE's plans for 2002/03 were to explore methods of ensuring a better trained and educated management and workforce who embrace safer practices and who have a better knowledge of the risks and the precautions that must be taken to improve health and safety. Improving legislation was part of this work as was encouraging partnership through mechanisms such as the Agricultural Industry Advisory Committee (AIAC), which advises HSC on health and safety in agriculture and working with DEFRA as part of their restructuring approach to the industry.

Plans for 2002/03

Selected milestones

- Organise and run 18 Safety Awareness Days (SADs).
- Pilot an IT based self-assessment scheme for farmers (subject to funding).
- Explore new initiatives to reduce the number of child deaths and major injuries due to agricultural work activity.
- Publish blackspot reports on tree work (high falls) and livestock handling.
- Publish report on research into the incidence of non-fatal incidents and zoonosis to children.
- Identify key stakeholders and the messages on RHS HSC/E want them to action and promote.

Progress during 2002/03

A full programme of SADs was held during 2002/03, attended and well received by over 6200 farmers. An independent evaluation demonstrated the success of this approach. In 2003/04 the range of SADs will be widened to encompass events with the TGWU and NFU.

Treasury funding secured for a two-year project to develop the scheme. Project progressing to plan. Currently in development stage. Pilot planned autumn 2003.

Independent research commissioned to identify extent and depth of knowledge on child safety within the farming community. Together with HSE's publicity directorate, the results are being mapped as a basis for a five-year educational/promotional strategy to address child safety in agriculture.

The draft version of the tree work blackspot report is currently being produced and will be published in 2003. A video on livestock handling was produced during 2002/03 which led to the proposal to produce a livestock handling blackspot report being withdrawn.

A report by the Institute of Rural Health *Farm Child UK* has been published. The two-part report is one of the first products of the new Child Safety Strategy.

A review of key stakeholders is underway to identify those that can best help influence farmers including in particular the self-employed family farm. The Government's recently published Strategy for Sustainable Farming and Food (SFFS) recognises a safe working environment as a key principle of sustainability, opening up further opportunities to build farm health and safety into the Department for Environment, Food and Rural Affairs (DEFRA) / Government agenda.

Compliance

- Continue to pursue access to the DEFRA and Scottish Executive databases on premises and activity so as to be able to better target HSE inspections in the industry;
- continue the legislative review and take forward any actions in consultation with industry and other stakeholders;
- carry out 18 publicised blitz inspections;
- audit 12 Estate Management Companies and a selection of the premises they manage;
- carry out further targeted inspections of farms with up to 20 employees on site;
- if self assessment audits prove feasible organise a structured pilot;
- carry out approximately 35 visits to ensure designated machinery is safe when supplied;

Acceptance of the need for further more detailed HSE access established, and that the necessary measures should be put in place to enable future access. In the meantime, HSE requests for updated general farm information have been made.

HSC/E made a major contribution to a National Farmers' Union (NFU) Conference on Child Farm Safety in July 2002 to explore options for reducing child deaths and injuries on farms. This followed HSE's review of the Prevention of Accidents to Children in Agriculture Regulations (PACAR) and HSC's consideration of a new set of regulations (see 'Review of PACAR and associated ACOP' below).

A total of 22 blitz inspection campaigns were carried out with almost 2000 visits being made. Some of the blitzes targeted specific topics (including horticulture, manual handling, dermatitis, quad bikes, silage making & potato/vegetable harvesting, overhead power lines, transport) while others were general blitzes that covered all farms in a geographical location or follow-up visits to farmers who had been invited but did not attend Safety Awareness Days (SADs).

Ten audits were carried out on estate management companies over the year. Some HSE agriculture groups had difficulty in identifying suitable local companies who fully meet the criteria but work is continuing and further audits are planned in 2003.

Over 7750 site inspection contacts made during the year – the majority of which met the employment criterion.

Self-audit form feasible. Further development and pilot planned autumn 2003. Subject to outcome of pilot, national implementation in 2004.

Over 50 visits made in connection with machinery supply. Visits covered a range of different machinery and equipment. One successful outcome was ensuring further moves towards the supply of full documentation at point of sale of second hand machinery.

- Target the maintenance of brakes on tractors and trailers.

- Review the Prevention of Accidents to Children in Agriculture Regulations (PACAR) and associated ACOP.

Continuous improvement

- Progress actions from high level inter departmental meetings and meetings with stakeholders held in 2001/02; and
- continue work with Industry Advisory Committees (IACs), local authorities and key intermediaries.

Maintenance of brakes on tractors and trailers was covered in the majority of inspections and was also the subject of a number of blitzes which has resulted in a large amount of enforcement action (including issuing of notices and a number of prosecutions being initiated). Transport maintenance (including brakes) was also the subject of a scenario presented at HSE's SADs.

HSC decided not to progress proposed regulations on prevention of accidents to young persons in agriculture (PAYPAR) at present but sought further information on extent and scale of involvement of children in farming activities. HSE, in partnership with others, is looking at a range of options for reducing farm child deaths and injuries.

HSE building health and safety into a number of DEFRA workstreams to deliver the SFFS, including Common Agricultural Policy (CAP) reform, demonstration farms, review of rural learning, skills and knowledge, and whole farm approach to better regulatory compliance.

The Agriculture Industry Advisory Committee's (AIAC's) Arboriculture & Forestry Advisory Group (AFAG) undertook a major programme of work to ensure that replacements for the Forestry and Arboriculture Safety and Training Council (FASTCO) leaflets were produced and made available in March 2003. HSE has participated in the work of the forestry industry's Round Wood Haulage working party which has produced a code of practice dealing with haulage of logs. Work with the arboricultural industry has included a peer review team overseeing research work into safety of karabiners and also presentations to key intermediaries in the industry. HSE commented on the integration proposals for forestry and arboricultural certification within the LANTRA (National Training Organisation for the agricultural industry) Sector Skills Council resulting in an agreed programme of action being produced. HSE has been actively engaged with Other Government Departments (OGDs) including DEFRA, The Pesticides Safety Directorate (PSD), Department of Health (DOH), Environment Agency (EA) and the Scottish Executive (SE) and with key stakeholders including the CPA, NFU, TGWU, the National Association of Professional Employer Organisations (NAPEO), the British Safety Industry Federation (BSIF), the Poultry Association and the Chartered Institute of Environmental Health (CIEH)

Knowledge

- Identify and develop suitable evaluation techniques to evaluate SADs and health and safety training in agricultural colleges;
- continue research on key health and safety issues in the industry.

Skills

- Continue training initiatives identified during 2001/02.
- Continue work with agricultural colleges and universities to improve the health and safety content of courses.
- Evaluate success of SAD events held in 2001/02.

on a range of RHS and AIAC related issues throughout the year.

Evaluation has been carried out by an independent consultant on the previous year's SADs which concluded they were very effective in informing and influencing the target audience (*see 'Skills' section below*). Evaluation work on health and safety training in agriculture colleges did not proceed as planned due to budgetary constraints.

Research has been completed or is still underway on the following: Power Take Off (PTO) shaft guards; whole body vibration (WBV) exposures in tractors; practical solutions to noise problems in agriculture; structural deterioration of tractor cabs with age; security of cross loaded timber; use of mobile elevating platforms for tree work; use of three-way karabiners in arboricultural work; chainsaw leg protection for chainsaws with high chain speeds. A fundamental review of the agriculture research strategy was completed and a series of promising new research proposals will be funded during 2003/04.

HSE has organised and delivered technical training to HSE inspectors through: three agricultural appreciation courses; a mechanical handling in agriculture course; an advanced technology in agriculture course; two livestock handling; a pesticides training course. Additionally the sector has held a Pesticide Liaison Inspectors' Conference and a number of divisional training events on pesticides and manual handling. HSE participated in a consultation exercise resulting in classification of what constitutes the certificate of competence for the use of the chainsaws for forestry and arboriculture.

Priority accorded to the development of a vocational qualification in managing health and safety in agriculture. Further work with agriculture colleges and universities deferred to 2003/04.

Evaluation has been carried out by an independent consultant on the previous year's SADs which concluded they were very effective in informing and influencing the target audience - eg 95% of attendees said they found the SAD useful, 87% said it had increased their awareness of health and safety issues and 73% had made at least one improvement in health or safety.

- Work with LANTRA (National Training Organisation for the agricultural industry) to develop a management competence in health and safety.

- Subject to financing, set up dedicated occupational health support pilot projects for the industry.

Support

- Develop guidance to help clients select competent arborists;
- evaluate the success of advertising campaigns in 2001/02 and develop further campaigns linked to other Priority Programmes;
- produce publications to support health and safety in agriculture; and

AIAC's Health in Agriculture Group (HIAG) is progressing work on this subject. HSE together with the Qualifications and Curriculum Authority (QCA), LANTRA and interested training providers are currently drawing up a timetable for the development and implementation of a vocational qualification on managing health and safety in agriculture.

Funds for a dedicated OH pilot have not been forthcoming but HSE is currently working with Morecambe Bay Primary Care Trust to evaluate during 2003/04 a modified version of the original Cumbria Farmers' Health Project. This is an occupational health initiative which aims to improve the health and social well being of the farming community through improving access to existing health care provision.

Industry representatives are currently in the process of producing guidance in consultation with HSE.

Independent researchers evaluated the targeted child safety and falls from height campaigns. Both campaigns showed unprecedented market penetration. In conjunction with HSE's publicity directorate, the results are being built into future campaigns.

Fatal Injuries 2001-2002 published in July 2002 included a new section on the financial costs of agricultural accidents.

Revised Tractor Action publications produced.
Why fall for it? Preventing falls in agriculture publication produced.

A suite of leaflets targeted at forestry and arboricultural contractors is now available on the HSE website. These are integrated into training schemes and industry health and safety management arrangements.

HSE also produced new videos on child safety, cattle handling and the risks from E.coli 0157; the latter linked to and downloadable from HSE's website.

- contribute to the development of CEN (European Standards Committee) Standards on designated equipment that might cause incidents and ill health.

EN 1152 – PTO shaft guards: revised standard (HSE as convenor) under the Vienna Agreement with ISO lead. Updated and uprated test criteria to ensure guards are more robust in use.

EN 632 – Combine and forage harvester safety: HSE currently negotiating for cab filtration to reduce grain dust exposure and to ensure grain tank not accessible when unloading augers are rotating.

EN1553 – General safety requirements for agricultural machinery: ensuring that revision under the Vienna Agreement by ISO does not reduce the general safety requirements.

PrEN ISO 4254-6 Sprayers and liquid fertiliser distributors – Safety. Revision of EN907 under Vienna agreement. HSE (project leaders) have, eg sought to ensure standards include requirements to protect against folding booms arching or contact with overhead power lines.

prEN 14017 Fertiliser distributors - Safety and prEN14018 Seed drills - Safety. Ongoing negotiations have focused on ensuring standards include requirements to protect against; a) injuries from contact with agitator mechanisms; and b) folding booms / bout markers arching or contacting with overhead power lines.

Revision of EN703 Silage Cutters. Ongoing negotiations have focused on defending the inclusion of requirements dealing with visibility of cutting tools etc, and guarding of moving parts / discharge outlets.

Other significant activities

Actively supporting the development of the Priority Programmes on MSD and work-related stress; working closely with key stakeholders to promote rural stress support services in the community; currently reviewing the results of research commissioned from HSL into the sources of dusts and asthmagens in the industry; actively engaged with DEFRA, the DOH and other stakeholders in developing a number of Government strategies including those in relation to the proposed Rural Payments Scheme, the Animal Health & Welfare Strategy, the West Nile Virus Strategy, the inter-departmental response to the Joint SE/ Food Standards Agency (FSA) Task Force Report on *E.coli* 0157, the inter-departmental response to rabies in bats etc. Working with key external stakeholders to develop information and resource materials on the application of the new Management of Asbestos Regulations to agriculture. Periodic articles in agriculture press, eg Farmers Weekly and the TGWU's 'Landworker' etc.

Continuing input to the approvals regimes for pesticides, biocides and veterinary medicines. A fundamental strategic review of the agriculture Priority Programme was completed in December 2002 drawing on an analysis of fatal and major accident data and all other available evidence which might have a bearing on the future development and direction of the programme. The review led to the setting of more challenging targets/objectives as well as the development of a new vision, nine-point strategy, business improvement plan (including the planned development of tools for evaluation and in-year performance monitoring and surrogate outcome indicators) and a detailed programme of mechanisms and activities to deliver the targets.

A 'milk project' initiated by HSE in the South West brought together all of the players in the distribution network from producer to retailer. HSE, intermediaries, eg NFU and others in the industry worked on an evidence base from over 100 visits carried out by inspectors to dairy farms. The key outcome of the project was agreement by the dairies that they needed to work more closely with everyone else in the supply chain to deliver improved health and safety outcomes. Significantly the larger dairies, hauliers and retailers are applying these lessons of improved communication and cooperation to other aspects of their business.

Table 7 Health Services

Over the lifetime of this plan, in addition to dealing directly with NHS trusts, HSE will work with the health services in England, Scotland and Wales through their existing and emerging targets and programmes to make a substantial contribution to reducing health and safety failures. HSC will, through HSAC and HSE, seek to ensure that the independent sector also develops suitable targets to secure the improvements required by RHS. Key areas for development will include, musculoskeletal disorders, stress, violence and slips and trips.

Plans for 2002/03

Selected milestones

- Continue visits to poor performers on management of violence and manual handling.

Progress during 2002/03

Downward trend in over 3-day injuries continued through the 01/02 final report. Now showing 20% reduction over five years.

By March 2003, 80 visits had been made to trusts to audit their health and safety arrangements, including those for manual handling (64 trusts) and violence (44 trusts). Some inspections addressed a single topic, others were part of a wider inspection. In addition, 22 private hospitals have been inspected.

The level of Improvement Notices on manual handling across health services has been maintained from the previous year (62).

- Investigation of 200 (estimated) reported MSD related incidents, analyse for performance lessons.
- Working with the National Care Standards Commission (NCSC), the Scottish Regulation of Care Commission (SRCC) and the Care Standards in Wales (CSIW) to develop local and national arrangements for the inspection of care homes.
- Publish Health Services Advisory Committee guidance on work related stress, based on a joint HSE/UNISON/RCN stress research project conducted in 2001/02.
- Targeted inspection on the work of physiotherapists and occupational therapists (OTs) in selected NHS trusts. Programme target: 40 MSD visits; 40 inspections on violence.

Compliance

In the public sector:

- Establish local contact with the 28 NHS Strategic Health Authorities (SHAs), to review compliance; and where appropriate with the new Health Boards in Scotland.

In the independent sector:

- target further joint visits with the NCSC and CSIW to care homes on management of violence, manual handling and patient safety issues.

Continuous improvement

- Secure commitment to this Priority Programme at a national level (through HSC, HSE and the Health Services Advisory Committee (HSAC)), and by strategic interventions.
- encourage NHS SHAs, to deliver their targets/programmes for health and safety (human resources targets, and corporate governance initiatives), through HSE inspectors using Controls Assurance and human resource data collected centrally;

70 investigation reports have been identified to date. All will be analysed for performance lessons.

Memorandum of Understanding (MoU) with NCSC published, resulting in a reduction of HSW S3 enforcement action; legal problems have delayed MoU in Scotland; MoU agreed in Wales.

Business case agreed; drafting has commenced; publication during 2nd half of 2003 following external consultation with RCN, UNISON and other stakeholders.

27 trusts received a targeted inspection on the work of physiotherapists and OTs. 59 MSD visits were carried out, 44 on violence. Safety representatives in Trusts are involved in post inspection evaluation.

Approaches to the new SHAs / Workforce Development Confederations (WDC) and Health Boards (Scotland) have been postponed until later in 2003/04.

Contacts and joint visits have been made with local NCSC and CSIW offices and staff. A variety of concerns, principally on investigation and enforcement have arisen. These are being addressed locally and nationally; Approximately 300 care homes have received an inspection this year.

The Director General has met the DoH Permanent Secretary to discuss the NHS's contribution to RHS. HSE Scotland is developing contacts with the Scottish Executive Health Department and key players in NHS Scotland. HSC Commissioners and HSE staff have speaking engagements at a number of forthcoming conferences including an address to RCN safety representatives at their National Congress.

Work with the new SHAs and WDCs will commence late 2003, once they have become operational. Contact made with SHA in developing their monitoring role for governance issues, to be developed further in 2003; contact made with Regional NHS Improving Working Lives (IWL) leads, writing 'benchmark' guidance for their use in assessing organisations against those 'health & safety' elements of the IWL standard.

- encourage the Scottish Executive and the National Assembly of Wales (NAfW) to develop their own NHS health and safety strategies, through contact with HSE Directors for Scotland and Wales;

- work with the independent sector nationally to collect data on incident and ill health to set baselines and targets;

- arrange workshops in each NHS region on priorities for the Priority Programme;

- contribute to the objectives of the construction Priority Programme by undertaking supply chain initiatives by joint Services/construction sectors visits to NHS Estates (NHSE), Purchasing & Supply Authorities (PASA) for England, Scotland & Wales.

Knowledge

- Identify examples of good practice on MSD and violence and produce educational resource on latex allergy with RCN, UNISON and other stakeholders.
- Work with the National Audit Office (NAO) on tools for measuring costs of incidents and ill health in the NHS, and publish the results.

Skills

- Hold internal workshops on manual handling and violence to improve inspector impact.
- Run a health services technical training course for inspectors, to include MSD and other priority topics.

Scotland and Wales have demonstrated commitment to their national programmes; Scotland has published guidance / standards for health and safety management in the NHS; development work has begun with the Welsh Risk Pool to incorporate RHS performance indicators into the Welsh Risk Management Standards.

Delays in agreeing the format and scope of data to be collected has meant that this work has not yet commenced.

HSE is working jointly with the NHS Litigation Authority to deliver a number of workshops in June 2003 for all English trusts.

DoH guidance on Private Finance Initiatives (PFIs) changed to include Construction, Design and Management Regulations; programme of visits to PFIs agreed for 2003/4; NHS Estates - a 'Concordat' is being developed, with specific joint initiatives, eg HSE involvement / consultation on NHSE guidance, hazard alerts, Healthcare by Design project. Some preliminary discussion in Scotland with NHSE in relation to floor surfaces will be followed up in 2003.

Some additional examples of good practice identified on MSD and violence. Sector information minutes to be issued 2003.

Major input into the NAO study into Health & Safety in NHS Trusts. NAO due to report to Public Accounts Committee and publish its report during April / May 2003. This work has produced examples of cost effective initiatives on MSD and Violence and overall costs for accidents and ill health.

Divisional roadshows held in April and May 2002. Evaluation shows that they have helped improve inspector impact. Local training has been provided in Scotland to increase competence in these areas.

Technical training course held in October 2002 (22 delegates).

Support

- Promote existing generic or new Health Services guidance on slips and trips.
- Develop a health services sector home page on the HSE website and provide links with HSE Direct.

Extended internal consultation has delayed this work, but it is expected to be published within the first quarter of 2003.

Work to develop health services web pages is progressing, with go-live anticipated early 2003/4.

Other significant activities

Contacts with new Primary Care Trusts have been made by HSE's Workplace Contact Officers (WCOs); in Wales contact with the Local Health Boards by letter is imminent, all will be visited during 2003/4.

Table 8 Slips and trips

Slips and trips are the most common cause of major injuries at work, and yet they are often perceived as insignificant and unavoidable. This Priority Programme aims to change attitudes to these accidents and offer practical solutions to reduce them via a programme that includes: convincing the right people that slips and trips are serious, that effective action can be taken and to take action; encouraging local authority and HSE staff, employers, employees, intermediaries and other interested parties; influencing those responsible for the design and maintenance of new or refurbished workplaces; underpinning research and standards development. The Slips and Trips Programme has links with the Health Services and Construction Priority Programmes. Membership of the Slips and Trips Programme Board includes representatives from employers, unions and local authorities.

Plans for 2002/03

Selected milestones

- Conduct field trials of the HSE/HSL Pedestrian Slipping Expert System (PSES) across HSE and local authority enforced sectors and use in investigations and inspections.
- Working with local authorities HSE will develop a specific slips and trips website to aid communication and discussion, spread knowledge, raise awareness, promote success stories and other initiatives.

Progress during 2002/03

First phase of evaluation, involved eight scientific support staff, 31 HSE and six LA inspectors using the expert system at a total of 150 different sites. Detailed monitoring of results was carried out in two stages by HSL using a telephone contact system. Work completed March 2003. Overall positive response with 80% of users finding the system gave them confidence to give specific advice on reducing slips risk; and 62% found it gave them evidence to support enforcement decisions. An evaluation report on this part of the trial is available from HSL - WPS/03/04. The second phase will extend the trial to other 20 users split between LA users and joint work with industry in 2003/04.

Slips and trips web pages have been created on the HELA training website (accessible only to LAs). Information already on the website includes Frequently Asked Questions, latest news (eg LAs involved in PSES trials), articles and resources, including the Topic Inspection Pack. Website will be updated regularly and will soon include some recent slip and trip prosecutions and initiatives.

- Conduct a series of Slips Roadshows for local authority enforcement officers; other key stakeholders - large companies and intermediaries; hold workshops for SMEs; and carry out Head Office visits to large companies.

- Complete research into: human factors/changing attitudes; workplace studies in supermarkets and fast food outlets, and trials of footwear products.

Slips and trips (S&T) web pages are being developed on HSE website and will be launched in the summer 2003.

In 2002/03 ten further Slips Roadshows were delivered to LA Environmental Health Officers (EHOs), bringing the rolling total to 25 to date. Approximately 800 EHOs have attended the events.

Nationwide, HSE and LAs worked together to run six seminars for larger companies and intermediaries (approximately 500 companies etc attended); and 11 workshops for SMEs.

For other stakeholders drawn from both enforced sectors - each workshop involved over 24 people from about 12 firms. The workshops had a practical theme with each firm attending drafting out a risk assessment and action plan by the end of the event, the action plan was/will be followed up by phone a few months after the event - evaluation is still being analysed.

Head Office visits by central S&T staff in the LA sector and FOD Divisions incorporated S&T into planned Head Office visits, mainly in the services sector. Concluded that more direction and help from the central S&T team is needed to be addressed 2003/04. Approaches to Royal Mail and Prison Service helped improve management of S&T risks.

Events for large food retailers (all top supermarket chains were represented).

Three other events for a broad band of professional H&S advisers.

Research - human factors scoping study completed as planned, main study in 2003/04; workplace studies started (producing some case study material - eg poor spillage procedure identified and used as case study on forthcoming HSE web pages) and will continue in a wider variety of workplaces in 2003/04. Footwear trial in food factory completed, producing immediate and dramatic reduction in slip accidents. Other footwear trials in supermarket and distribution company started and will report in 2003/04.)

Compliance

- Local authorities will continue to focus enforcement activity of slips and trips in high-risk sectors - enforcement guidance is to be produced to support this activity.

HSE will also:

- carry out targeted activity in the HSE enforced sector working with local authorities where whole supply chain issues are involved; and
- carry out interventions to reduce levels of slips and trips in the Health Service

Knowledge

- Continue research from (2001/02) and take forward new research into, for example, human factors/changing attitudes, efficacy of cleaning regimes, footwear trials, stairs and ramps etc.
- Monitor and evaluate field trials for the HSE/HSL Pedestrian Slipping PSES) in HSE and local authorities.

HELA strategy guidance to LAs has concentrated on slips/trips - HSE is monitoring LA run initiatives via LA annual returns. Examples include: one LA who inspected all catering establishments in their area, resulted in a reduction in slip/trip accidents. Another LA ran a year-long initiative involving local businesses with a history of slip accidents, resulting in a 41% reduction in slip/trip accidents among participating companies.

A Slips/Trips Inspection Topic with sections on good practice, legal requirements and enforcement was developed by HSE aided by LAs. This pack was introduced with a short training event in each Division in HSE and issued to all FOD inspectors. Available to LA inspectors through a training website.

Slips and trips risks are being inspected by HSE at all premises with significant risk as part of the FOD Topic Inspection System - about 20 000 site visits involved S&T input, with about 300 cases of very poor controls resulting in over 80 cases of formal enforcement action. This work is still being evaluated, particularly the examples of workplaces with some deficiencies. Work with LAs has developed with trial joint workshops aimed at the food industry, warehousing and retail chains. This joint work will be extended during 2003/04.

Development of an information summary sheet on controlling slips and trips risks to be used in the health services and the Pedestrian Expert System has been introduced in co-operation with one NHS Trust. This joint work will be extended in 2003/04.

Human factors - phase 1 (scoping study) completed, main study 2003/04 (see above), key research on cleaning regimes and footwear trials is underway (some completed - see above) and will report in 2003/04.

Other completed research includes: dynamics of pedestrian stair use; efficacy of floor matting; real workplace contaminants; evaluation of pedestrian slip expert system (PSES) - 1st phase.

PSES is emerging as a very useful tool that allows inspectors to estimate slip risks and can backup advice and enforcement as well as aiding decisions on the need for expert site testing and investigation.

- relaunch the *Stop slips* video; and

- review the impact of the Priority Programme and research to inform future targeting.

Skills

- continue training for enforcement officers from year one (Slips Roadshows and information tool kits); and
- develop training interventions for key stakeholders and intermediaries (including joint HSE/local authority workshops).

Discussions with advertising consultants revealed that the money available was insufficient for a national media campaign and that a local approach was appropriate. The publicity strategy was revised to co-ordinate better with the S&T Programme and to point the way for a new strategy to be launched in 2003/04. The video will be published as part of a new campaign. The video has been used successfully in seminars, workshops and joint work with firms.

Some evaluation of elements of slips/trips Programme undertaken (eg evaluation of slips road shows for LAs and food retail companies showed events to be an effective intervention to educate and galvanise delegates into action).

Impact evaluation due to start in 2003/04.

All FOD inspectors briefed on techniques for inspecting slips and trips and issued with the topic pack. A selection of 31 have received an additional intensive one day training as part of the PSES trial.

See above for 2002/03 training events for:

- large national food retailers;
- health and safety professionals;
- for larger companies, intermediaries; and
- SMEs.

Much of the above as partnership working between HSE and LAs.

Six seminars were organised by divisional HSE offices, with LA support for intermediaries and large companies, to improve management through better understanding of slips and trips and influence contractors and others. These attracted a total of 500 organisations around the UK. 11 workshops were held for SMEs by FOD Divisions in partnership with LAs.

Contacts made in 2002/03 with key firms of architects and also PFI project providers. Slips seminars for top 50 London based architectural practices planned for summer 2003/04. Events will run for other groups later in the year as well as for PFI project providers.

Support

- Disseminate the outcome of research findings and real life case studies.

- Commence a publicity programme backed up by sector specific guidance.

HSE information sheet on Testing of Floor Surfaces almost complete, launch in summer 2003/04.

Case studies prepared for slips/trips pages on HSE website, available in 2003/04. They are also used in seminars and workshops.

Series of technical articles published in Contract Flooring Journal and Safety and Health Practitioner written by HSL/HSE based upon research and field work.

Outcomes of research included in topic packs seminars, workshops and roadshows. Research reports used in dialogue with other national experts.

Publicity programme planned, to be launched in 2003/04.

HSE information sheet issued for the education sector.

Slips/trips Summary Sheet produced for Health Services sector.

Other significant activities

Other roadshows/exhibition stands, etc. Two slips roadshows for LAs as duty holders.

Speakers and exhibition stands at Royal Society for the Prevention of Accidents (RoSPA) & HELA conferences.

Support for major seminar for duty holders in Northern Ireland.

MAJOR HAZARD INDUSTRIES

Introduction

1.28 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.

1.29 Progress with published plans during 2002/2003 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 Accident Hazards Regulations (COMAH), explosives and the mining, offshore and nuclear industries. In March 2003, following public consultation, HSC published its overarching policy statement on regulating high hazard industries - 'Our approach to permissioning regimes'.

Table 9 Railways

1.30 The operating environment for the railways in 2002/03 was shaped by the need for the railway industry to make the safety improvements recommended in the Southall Inquiry, the Joint Inquiry into Train Protection Systems, and Lord Cullen's two reports on the Ladbroke Grove collision; and to take forward the Commission's own regulatory agenda arising from the recommendations made in these reports. These actions are set in the wider context of the HSC Rail Strategy which was published in 2002. Safety on the railways continued to attract considerable public interest including the attention that was focussed on the establishment of Network Rail as the successor to Railtrack and concerns about the London Underground Limited Public Private Partnership proposals. There was strong political and economic focus on improving the performance of the rail network. Although these were primarily matters for the Government, the Office of the Rail Regulator (ORR) and the Strategic Rail Authority (SRA), HSE worked with other regulators to ensure that account is taken of health and safety implications and possible benefits.

1.31 European influences were also important during 2002/03 and HSE worked with the Department for transport (DfT) in this area. DfT has drafted regulations to implement the High-speed Interoperability Directive. HSE has also played a full part in influencing the development of the proposed European Railway Safety Directive.

1.32 Throughout the HSE Rail Programme there has been extensive consultation with stakeholders, including safety representatives and Trade Unions, to ensure all views are properly considered.

Policy and strategic development

The focus of work here will be to change attitudes and improve the safety leadership in the industry - particularly to ensure that pressure to improve performance does not outweigh attention to safety. Key priorities include:

- Working with stakeholders to develop and implement a health and safety strategy for the railway industry which addresses key risks in the industry, recommendations arising from Southall, the Joint Inquiry and the Cullen reports, HSC's priorities, (notably Revitalising Health and Safety and Securing Health Together), and the consequences for health and safety of any industry restructuring.
- Preparing, under HSC's oversight, the legislation needed to implement the health and safety agenda emerging from recent public inquiries etc. This is likely to include new or amended regulations on: safety cases, safety critical work/competence, approval of new railway works and equipment, and automatic train protection systems.
- Ensuring that duty holders maintain health and safety standards in any changed arrangements for managing the London Underground Public Private Partnership.

The HSC Rail Strategy was introduced in summer 2002. It sets out five strategic aims which provide the context for our activities. We plan to review it in 2003.

HSC published *'The use of contractors in the maintenance of the mainline railway infrastructure'* in May 2002.

The Hatfield interim recommendations report was published in September 2002.

HSC published progress reports containing recommendations from the Potters Bar accident in May and June 2002

HSE is working closely with the ORR in their Interim Review of Track Access Charges.

We continue to work with stakeholders to implement Lord Cullen's recommendations on the accreditation of suppliers and the licensing of drivers and signallers. Work on a review of the Railways (Safety Critical Work) Regulations started. We began work to review the approval system for new and altered railway plant, work and equipment, and evaluation of the Railway Safety Case Regulations was commissioned. HSC commissioned independent reviews of industry proposals on the implementation of the European Rail Traffic Management Systems (ERTMS). HSC considered these reviews in producing advice for Ministers on whether the fitment of ERTMS could be delivered to previously accepted timetables.

The London Underground Public Private Partnership (PPP) Railway Safety Case (RSC) was accepted to time and HSE's decision was not challenged. However, the London Underground Public Private Partnership was not completed until 4 April 2003. Work to ensure health and safety standards are maintained will be carried forward to HSE's intervention plans for 2003/04. HSE has forwarded a copy to the Trade Union Safety Representatives, and have held meetings with London Underground and the Unions to discuss progress.

- Building effective relationships with DfT and other regulators, and key stakeholders, including the development of the SRA's Strategic Plan and the refranchising process.

- Contributing to the European debate and action on railway health and safety, including 'interoperability' and negotiation of the proposed safety directive.

- Developing European and UK industry standards.

- Providing support to the Railway Industry Advisory Committee (RIAC).

- Introduce measures to replace 'actuals' charging regime with a levy.

- Contribute to the establishment of a rail industry safety body (RISB) and a rail accident investigation body (RAIB).

SRA – we were actively involved in the development of the Strategic Plan, participated in regular formal liaison meetings and had constructive contact at all levels in accordance with the MOU.

ORR – we have been actively involved in the Interim Review of Track Access Charges and two high-level liaison meetings have been held on issues of mutual interest in accordance with the MoU.

DfT- we have begun work with DfT on drafting a new MoU to reflect the changed relationships between HSE and DWP (as HSE's sponsoring Department), and DfT (as the railway industry sponsors).

HSE led on health and safety within the UK negotiating team for the 2nd Rail Package which included directives on rail safety and interoperability and amendments. The 2nd Rail Package reached political agreement in March 2003.

HSE issued a statement in September 2002 on the relationship between the Technical Specifications for Interoperability (TSIs) developed for interoperability, HSWA, Railway Group Standards and HSE's Railway Safety Principles and Guidance. We also participate in the Industry Standards Strategy Group. HSE has also been involved in the development of the Railway Group Standards Code and is a consultee on the Railway Group Standards.

Three RIAC meetings took place in 2002/03 including a successful public meeting attended by 100 people. Two additional public interest representatives have been appointed, a review of RIAC's working groups performed and a programme of work for 2002 onwards has been agreed and placed on the HSE rail website.

Enabling clause included in Railways and Transport Safety Bill.

HSE actively participated in discussions which took place at ORR's 'RISB Development Group', leading to the creation of the Rail Safety and Standards Board (RSSB) on 1 April 2003. We also actively contributed to discussions at DfT's 'RAIB Development Group' and contributed to the drafting of RAIB clauses in the Railway and Transport Safety Bill.

Policy and strategic development

Outputs

- Working with stakeholders to examine the feasibility and scope of new regulations on safety cases, accreditation and licensing, approvals and on train protection.

Preventing catastrophic failures and mitigating their consequences

Train Protection

- Monitoring of industry programmes for fitment of Train Protection and Warning System equipment.
- Reviewing arrangements for the train protection systems generally, including further consideration of the conclusions of the Joint Inquiry into Train Protection Systems and relevant European Directives.

Signals passed at danger (SPADs)

- Investigation of SPAD incidents which have the potential to lead to severe consequences.
- Monitoring industry-wide SPAD mitigation measures.

HSE continues to work with duty holders and Trade Unions to implement Lord Cullen's recommendations on the accreditation of suppliers and the licensing of drivers and signallers. Work on a review of the Railways (Safety Critical Work) Regulations started. Work began to review the approval system for new and altered railway plant, work and equipment, and evaluation of the Railway Safety Case Regulations was commissioned. HSC commissioned independent reviews of industry proposals on the implementation of the European Rail Traffic Management Systems (ERTMS). HSC considered these reviews in producing advice for Ministers on whether the fitment of ERTMS could be delivered to previously accepted timetables.

Industry progress on the fitment of Train Protection and Warning System is largely in-line with the regulatory plan agreed by Her Majesty's Railways Inspectorate (HMRI).

In January 2003 HSC provided advice to the Secretary of State on the options and timetable for the fitment of a European Rail Traffic Management System (ERTMS) in the UK, as recommended by the Cullen/Uff Joint Inquiry Report on Train Protection Systems. HSC's advice was informed by its independent review of the report of April 2002 from the rail industry's ERTMS Programme Team on analysing the technical, economic and societal elements of ERTMS implementation. The Secretary of State accepted HSC's advice and the ERTMS Programme Team's work is being integrated into the National ERTMS Programme for developing ERTMS in the UK. HSE is represented on the National ERTMS Programme Development Group and continues to monitor industry progress towards delivery of the benefits of ERTMS.

During 2002/03 there were 404 Category A SPADs. Of these, 144 were serious, ie falling within the Railway Group's severity category 3 to 8. This means there was a 7.5% improvement overall and a 15% reduction in serious SPADs. 85 incidents were identified for independent investigation of which 66 had been completed at 31 March 2003.

Industry progress in delivering SPAD mitigation measures continues to be monitored through a mixture of regular liaison meetings with Network Rail, attendance at various industry meetings and feedback from SPAD investigations.

- Develop future strategies to tackle SPAD issues.

- Inspection of driver management by train operating companies.

- Inspection of signallers.

Trespass and vandalism

- Programme of inspections to reduce trespass and vandalism - with emphasis on fencing and the safety of children.

Securing compliance through the Railway Safety Case Regulations 2000

Take forward a programme for assessing new and revised safety cases and an inspection programme of key issues to check duty holders' compliance with their accepted safety cases; and

For the last three years, HSE has had a detailed strategy for dealing with SPADs issues. This was reviewed twice during the year and updated as necessary to ensure that it remained current.

During the year, inspections of the driver management systems of eight train operators were completed.

During work to assess signaller competence carried out under the Railtrack intervention plan, inspectors considered work-related stress issues and issued improvement notices on safe means of signal access (to prevent fall from heights).

170 inspections contacts were carried out, eight enforcement notices issued for fencing and scrap removal.

HSE has continued to work closely with the British Transport Police (BTP), Network Rail, duty holders and Trade Unions to manage route crime hot spots, including using enforcement action and prosecutions when necessary.

Large amounts of lineside debris cleared from the Network. Still problems in some areas with recontamination and fly tipping.

Other significant activities

Information Minute (SIM) on Lineside Scrap reissued. SIM on Lineside Security being revised. Significant contribution through articles and talks to support Railtrack debris clearance campaign.

29 safety cases accepted; 64 exemptions issued.

Intervention plans in place for all safety case holders, based on core assessment issues and outcomes from assessments. New guidance published on the Internet dealing with competent body audits, material revisions and the work of Infrastructure Maintenance Companies (IMCs) within possessions.

Safety case guidance amended to reflect removal of railway safety from assessment and auditing of railway operators safety cases. Evaluation of safety case regulatory regime has commenced with stakeholders across the industry and other regulators.

- Evaluate the Safety Case Regulations 2000 and prepare further revisions necessary in the light of Lord Cullen's report.

Ensuring initial integrity (safety by design) of new and altered works

- HSE will issue approvals to duty holders under the Railways and Other Transport Systems (Approval of Works, Plant and Equipment Regulations) 1994 (ROTS) with the aim of ensuring that duty holders have processes and standards in place for the introduction of new and altered railway works, plant, and equipment that are safe, reduce risks and protect people; and
- a programme of inspection to ensure such works are delivered to required standards. In parallel, work will continue to assess the Approvals system and replace it by the Pan-European system emerging from the EU Interoperability Directives.

Improving safety leadership, skills and general compliance

Programmes will focus on:

- Trackside safety.

Maintained contact with SRA regarding their franchising replacement programme. Safety Case implications for each franchise have been considered, as requested by SRA. Developing procedures with SRA to support smooth transition through franchise replacement. ORR will be included in the development of the procedures. Consideration is being given to how health and safety opportunities may be maximised at franchise replacement.

Research started in January 2003 to evaluate the impact of the Railways (Safety Case) Regulations. The research will feed into a major review by HSE of the regulations. The review is progressing in dialogue with the railway industry and other stakeholders.

The Railway (Safety Case) Regulations 2000 were amended in April 2003, to facilitate the creation of the RSSB, as part of Lord Cullen's recommendations.

In its administration of the authorisation and approvals systems during 2002/03 HSE issued 307 approvals for bringing into use and issued 327 letters of no objection to concept design proposals and the ROTS legislation and, 52 screening decisions, 14 staged-work decisions and two authorisation under Railways (Interoperability) (High Speed) Regulations.

112 Inspections were carried out of completed work and works in progress. Railways (Interoperability) (High Speed) Regulations came in force during the year. Interim procedures were introduced on time and work continued on the development of quality procedures for both the new regulation and for ROTS.

Other significant activities

An exemption was granted under Railway Safety Regulations 1994, regulation 4, to allow Mark I rolling stock running south of the Thames to continue to operate. HSE granted this exemption subject to mitigation that TPWS be fitted to all driving cabs of affected trains by 31 March 2003.

Railtrack (Now Network Rail) is the predominant business within the railway industry and HSE has an intervention plan to coordinate and manage its regulation of that company. Under the plan in 2002/03,

- Musculoskeletal disorders, stress, asthma, asbestos, hand arm vibration, falls from height, construction, and slips and trips;

- Investigations of incidents and complaints.

programmes of work were targeted at specific risk areas and HMRI asked inspectors to address action by Railtrack on Cullen recommendations relating to safety leadership.

For trackside safety, HSE underpinned (with an Improvement Notice) Railtrack's delivery of the new company standard for protection of track workers (RIMINI).

The introduction of a new risk minimisation standard for trackside workers (RIMINI) in December 2002. In April 2003, HMRI clarified to the industry what the RIMINI standard required and briefed the Trade Unions on HMRI's position vis a vis RIMINI.

During work to inspect Railtrack's major stations under the intervention plan, inspectors checked that:

- asbestos registers and hazard directories were in place and accurate;
- musculoskeletal disorders were under control through risk assessments;
- asthma was being prevented by intelligent design specification of materials during project management;
- slips and trips were addressed by platform surface design and review; and
- falls from height were subject to enforcement during construction work and interventions emphasised elimination of HAVs at the design stage of projects.

In an inspection initiative on the use of vibrating tools in railway maintenance, inspectors evaluated the adequacy of risk assessments, provision and use of low-vibration tools and their maintenance, health surveillance and user information, instruction and training.

During the year there was an initiative to inspect the management arrangements and controls railway employers have in place to prevent or control the risk of violence towards staff. As a result of this series of visits, inspectors have made several recommendations for improvement. Safety representatives and Trade Unions are consulted as a matter of course by inspectors during visits.

Very significant investigation activities arising from Potters Bar (Major Incident), Southall East and

- Improving the skills base of the industry and attention to safety training

- Improving health and safety for those working on or using the railways through general compliance and by measures to improve the safety culture within the industry.

London Underground Chancery Lane derailments. In 2002/03, HSE read many reports issued by Network Rail (NR) summarising the work of internal inquiry teams investigating incidents like SPADs. The quality varied considerably and root causes were not always identified, so Railtrack (Network Rail) is changing its approach to such investigations. Work to check these systems is planned for 2003/04. Nationally co-ordinated inspections were undertaken immediately after the Potters Bar incident in May and then followed up in November to measure any change in standards there may have been. We have presented the findings to NR and HMRI is continuing to apply pressure to bring about a general improvement in standards of points maintenance.

The competence of staff was a key focus of inspection work under the plan looking at the management of contractors by NR. There was also work on the competence and skills of signallers. Inspection visits during the year have concentrated on ensuring that those with responsibilities for carriage of dangerous goods are competent for the work they have to do and that all parties involved have the necessary information to fulfil their duties properly. HSE continues to support the industry in promoting the development of key skills and competencies of workers in the rail industry. In August 2002, the SRA appointed a Rail Skills Board to ensure delivery of the Framework for Skills and to establish a National Rail Academy.

HSE is monitoring the work by NR to improve this safety culture following a review by Dupont in the wake of the Ladbroke Grove crash.

Past national inspections on NR's management of track defects (KIT3 in 2000/01 and MIP2 in 2001/02) identified a wide spread issue of non-compliance with basic track maintenance standards and work continues to try and bring about a general improvement in compliance. The NR intervention plan for 2003/04 includes a nationally coordinated inspection (scope 1.1) targeted on the issue of compliance with track maintenance standards.

As well as the frequent contacts between inspectors and Trade Union Safety Representatives at the local level, HSE - also holds high level meetings with the Trade Union General Secretaries during the year, to provide further opportunities for members to raise issues of further concern.

Table 10 Control of Major Accident Hazards Regulations (COMAH)

1.32 COMAH was introduced on 1 April 1999 and aims to prevent and mitigate major chemical incidents that could harm people and the environment. HSE and the Environment Agency (EA) act jointly as the Competent Authority (CA) in England and Wales and HSE and the Scottish Environment Protection Agency (SEPA) act jointly as the CA in Scotland. HSE has discharged its statutory duties to:

- assess safety reports within a reasonable 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 ensuring appropriate urgent, medium and long term measures are taken and make recommendations for future prevention;
- implement an inspection programme for all COMAH establishments;
- provide advice on land use planning in respect of risks from major accidents; and
- notify the EC of Major Accidents.

Key programmes of work for 2002/03

Progress during 2002/03

Regulating top tier sites

There are currently 357 top tier sites and 717 lower tier sites. More establishments have been brought into scope with the full application of COMAH to explosives and the extension of classification requirements to a wider range of substances as a result of changes to the Chemical (Hazard Information and Packaging for Supply) Regulations. New entrants safety reports are due in February 2002. The changed requirements for chemical hazard classification and labelling will take effect summer 2002 and safety reports for top tier sites will be due April 2003. HSE's intervention programmes have been developed in liaison/consultation with relevant stakeholders, including Trade Unions and Trade Associations (mainly through the Chemical and Downstream Oil Industries Forum (CDOIF).

Working with the constituent parts of the Competent Authority (CA) HSE will:

- assess safety reports for 173 top tier COMAH sites;
- review the use of major accident protection policies for lower tier sites;
- review site emergency plans as a priority during inspections;

86 full safety report assessments and 22-part safety report assessments processed. The high rate of early-screening failures has led to a high number of safety reports being returned to industry. The low re-submission rate has affected the assessment progress.

Lower tier sites are a second order priority, with efforts being concentrated on assessment and verification of safety reports and inspections of top tier sites. 331 visits were paid to lower tier sites at which assessment of major accident protection policies will have formed part of the inspection.

Guidance has been developed on the assessment of emergency plans and a pilot was run asking inspectors to use this guidance for assessment. In addition, two training courses on emergency planning were run for inspectors.

- conduct 800 verification Inspections to reconcile claims made in safety reports with the conditions on site.

Occupied buildings

HSE will continue its programme to encourage improvements in the siting and design of occupied buildings on major hazard sites to:

- ensure workers are not placed at greater risk through occupying buildings on site, and safeguard plant shut down in the event of an emergency;
- on explosive sites, develop and implement standards for the design and location of occupied buildings within safe separation distances; and
- implement the third year of a five year inspection programme to assess the design and location of occupied buildings at approximately 450 sites across Great Britain to ensure compliance with the chemical industry's Association Guidance - 100 sites will be inspected in 2002/03.

Because of the difficulties encountered with the information contained in the safety reports, only a limited number of verification inspections were carried out in 2002/2003. 673 visits were paid to top tier sites and verification of safety report information will have formed part of some of these inspections.

A five year project is underway with the aim of ensuring that operators at all top tier major hazard establishments have assessed the risks to people in occupied buildings, including control rooms. Operators will have identified the measures necessary to reduce those risks to as low as reasonably practicable, and where necessary, have agreed an action plan with HSE to remedy any shortcomings. HSE renewed and revised the project to clarify the guidance, milestones and outcome measures. Revised guidance and recording templates have been issued.

In 2002/03, copies of risk assessments were requested from the relevant companies. The intention was to analyse and utilise the information to help establish and set benchmark standards for the construction, design and location of remote manufacturing facilities with associated control rooms. The risk assessments received failed to adequately address the occupied buildings issue. As a result, draft guidance was prepared and put out to the explosives industry for comment, and to seek representation to help set and agree appropriate standards for the design and location of occupied buildings in respect to remote manufacturing facilities on licensed explosives sites. 2003/2004 is the final year for this part of the project. The standards agreed and set down in the finalised guidance for the explosives sector will be published following consultation with the explosives industry.

Work has continued on this five-year project, but due to delays in the assessment of safety reports, it was appropriate to undertake a fundamental review of the project. This review was completed during 2002/2003 and revised guidance was issued to take the project forward. By the end of 2002/03 62 sites had been assessed.

Remote operations

At licensed explosives sites HSE will:

- carry out a survey of all buildings to identify those to be targeted;
- require site licensees to provide a risk assessment within an agreed time;
- agree a programme of improvements for industry setting standards and developing an assessment model to aid this; and
- publish guidance on standards of construction, distances and mitigatory features.

Plant integrity

- HSE will implement a programme targeting plant integrity to reduce the unintentional release of substances that have major accident potential.

A survey was carried out in 2001/2002 at sites having buildings falling within the occupied buildings criteria, as defined in initial guidance issued to the explosives industry. Following completion of the survey, sites were identified for requesting submission of copies of their risk assessments.

Requests for submission of copies of risk assessments from site licensees having buildings that meet the criteria was completed in 2002. Most responses were received by the end of 2002.

Following on from the publishing of guidance referred to above the industry will be consulted over agreeing a programme of improvements requiring occupiers to be brought up to the standards set down within the guidance. Compliance against these standards will be monitored by a programme of site visits, with enforcement action taken as appropriate.

Draft guidance was prepared during 2002/2003 and circulated to representatives of the explosives industry for comment.

A pilot project to assess plant integrity at oil refineries, focusing on pipe work integrity, began in 2002/2003. All refineries will have been covered by August 2003. The project is being extended to other major hazard sites in 2003/2004, with guidance on targeting being developed, based on intelligence gleaned from an HSL research project on loss of containment.

Table 11 Offshore

HSE ensures that risks to people who work offshore in the upstream petroleum industry and in the whole of the diving industry, both offshore and inland, are properly controlled. It does this through a programme of inspection, assessment, investigation, enforcement, advice and education.

Key programmes of work 2002/03

Management of offshore process integrity

HSE will implement the third year of a four-year programme to reduce hydrocarbon escapes through improved process integrity. This is a combined programme of process inspections and investigation of reportable releases.

Analysis of the reports received as part of the investigation project has been completed and the results issued as an Offshore Technical Report.

Progress during 2002/03

Good progress and co-operation from industry:

- process inspections not completed will continue in 2003/4;
- results from the programme have identified the worst performing installations for focused inspection in 2003/4;
- good practice guidance has been prepared and issued on two related subjects.

Floating production, storage and offtake installations operations (FPSO)

Loss of station keeping events represent one of the main initiating factors leading to hydrocarbon releases and currently stand at 7 per shuttle tanker per year.

HSE will:

- conduct a programme of specialist inspections to encourage a reduction in loss of station keeping events; and
- in partnership with industry publish guidelines to assist compliance.

Incorporating health and safety in design

HSE will continue with the second year of a four year programme focused on the design stages of major offshore projects through:

- intervention, in the safety case assessment process at the design and construction stage; and
- inspection of major new design, construction and modification projects.

Other work

HSE will also:

- Assess offshore installation safety cases.

- Presentations and workgroups continued including annual feedback to industry and Trade Unions on progress.

The original technical report has been issued and further results will be analysed to identify any new problem areas in 2003/4.

The specialist inspections will take place during 2003/4. During 2002/03, industry was given the opportunity to adopt the guidelines (see row following) before inspection against them took place.

The guidelines published by the main industry body UKOOA was issued during the year and is accepted as the industry standard against which inspections will be conducted.

The ongoing programme will seek improvement by:

- establishing agreed policy and practice for HSE intervention in design;
- producing guidance on design/safety management;
- introducing a register of key performance indicators;
- inspecting major new design, construction and modification projects; and
- strengthening arrangements with DTI.

Relevant outputs achieved include: publication of HSE policy and guidance on ALARP in design, guidance note to inspectors on design management and the delivery of a capability and maturity methodology for design management.

Ongoing, but the programme has identified that further effort is required on the inspection of such projects.

153 cases were assessed in 2002/3.

- Carry out 403 inspections of offshore installations and related activities (including diving and well operations).
- Carry out inspection of offshore installations and related activities to assess compliance with the safety case.
- Investigate a target of 502 incidents and complaints relating to offshore installations and related activities.
- Amend the Offshore Installations and Pipeline Works (Management and Administration) Regulations 1995 to take account of technological developments.
- Work with other Government bodies, in particular DTI, in handling decommissioning of installations.
- Negotiate and liaise with EU and other international bodies to maintain international standards.

There were 359 offshore installation visits (which includes visits for investigation purposes). Increased work on safety case assessment accounts for the shortfall.

Safety case verification work is included in the above total for installation visits; some 334 staff days were identified as having been spent on specific safety case follow up issues.

596 incidents and complaints were investigated.

Achieved, revised regulations were issued in October 2002.

Ongoing work.

Ongoing work.

Table 12 Gas Conveyance and on shore major hazard pipelines

The Gas Safety (Management) Regulations' (GSMR) aim, by a safety case permissioning regime, is to ensure that the risks arising from conveying gas are adequately controlled. These include the conveyor's arrangements for preventing a supply 'emergency', maintaining the gas transmission and distribution network, dealing with and investigating gas escapes and gas quality. HSE assess the safety of major hazard pipelines by examining their design and integrity under the Pipeline Safety Regulations.

Key programmes of work 2002/03

Managing the Gas Distribution Network

- Currently there are approximately 600 major gas leaks per year from the mains distribution network. In 2000/02 this led to 4 fatal incidents. To address this Transco have established a programme of mains replacement. In the short term priority is being given to replacement of at risk medium pressure ductile iron pipes (that is all those within 30m of dwellings). This work will be completed by the end of December 2002 and will involve the renewal of some 2300kms of pipes.

Progress during 2002/03

Further work revealed there was 2898kms medium pressure ductile iron pipe of which the majority had been replaced by December 2002. Transco was given an extension to April 2003 to replace the remaining 11.38km and this was achieved.

- Over a longer term Transco have 30-year programme to replace at risk low-pressure cast iron mains involving 91 000km of pipes.
- Proposals will also be made to amend the Pipelines Safety Regulations 1996 (PSR), in support of the mains replacement programme and to provide a defense in the event of incidents occurring where Transco did not know or could be reasonably expected to know the condition of a particular pipeline. A Consultation Document (CD) is planned for the early part of this year with amended regulations coming into force in June 2003.

Major hazard pipelines

- HSE assesses the safety of major hazard pipelines by examining the operator's arrangements for securing initial and continuing integrity under the Pipeline Safety Regulations. The aim is the prevention of major accidents associated with major accident hazard pipelines.

Transco are starting to ramp up the replacement of low-pressure cast iron mains.

A CD was produced and amended regulations were agreed by HSC in January 2003.

No major incidents associated with a pipeline occurred in 2002/2003.

Table 13 Mining

HSE has an on-going commitment to ensure health and safety in mining and associated activities. Failure to do so can result in high consequence incidents.

Inspection and investigation

Planned inspections and investigations of incidents will be the main means of securing compliance. Activity will focus on those areas where hazards affect a large number of people such as ventilation systems and dust control, explosion protection, support and ground control, shafts and winding, and man riding systems. Inspections will also be directed at early indicators of system deficiencies such as non-RIDDOR notifications of adverse methane or dust levels with the aim of driving down the number of such occurrences.

- HSE will undertake a programme of 1100 regulatory contacts at mines.
- As part of these HSE will undertake a programme of 400 planned inspections at coal mines, 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.

Mines inspectors made 1039 regulatory contacts at mines.

Mines inspectors undertook 410 preventative inspections at coal mines.

All fire and ignition incidents, a total of 13, were investigated.

- A Consultative Document bringing forward proposals for new regulations on the control of respirable dust in mines will be published.

Problems with the selection of an accurate and robust personal dust detection instrument have led to a delay in the issue of the Consultative Document on inhalable dust. However it appears that these problems are now resolved and the CD should be issued during 2003.

Other significant activities

In the mining sector there has been a review of safety at the face of large headings which has involved Trade Union representatives, safety representatives, contractors and employers at coal mines. Members of the review team visited underground workplaces to see the work at first hand and discuss emerging ideas with workers. As a result changes are being made to the way large drivages are planned and one manufacturer has developed improved work platforms which are being trialled underground. A report on the first stage is being prepared.

Table 14 Nuclear

HSE is responsible for regulation, through licensing, of the nuclear industry to ensure protection of the public and workers. The nuclear industry continues to present fresh challenges to effective regulation, particularly through the ageing of plant, the shift towards decommissioning and waste management programmes, the impact of electricity market reforms, and HSE's increasing responsibilities relating to Ministry of Defence (MOD) sites.

Plans for 2002/03

- Under the nuclear licensing regime, inspectors will continue to inspect all 40 licensed nuclear sites in Great Britain to monitor compliance with the 36 nuclear licence conditions and assessment of the safety cases for these sites.
- Regulate British Energy's (BE) activities to ensure safe operation of its power stations.
- Regulate the construction and commissioning of the nuclear submarine facilities at Devonport to facilitate UK's strategic defence capability, in parallel with MOD's plans.
- Agree criteria to allow permissioning to commence on the delicensing of all, or part, of Rosyth Dockyard by March 2004.

Progress during 2002/03

Inspectors have inspected all licensed sites to programmes within HSE's Integrated Enforcement Strategy (a rolling three year programme to monitor compliance with all 36 licence conditions).

HSE has successfully regulated all BE's nuclear power stations. Safe operation has been maintained, with no serious incidents or accidents.

Final clearance for HMS Vanguard to refit and refuel was given on 28 February 2003. Discussions in progress on a Staged Improvement Plan for the remaining upgrades to existing dock facilities.

Rosyth's Site Monitoring Protocol has now been accepted opening the way for survey work to begin, in preparation for delicensing.

- Deal with issues concerning decommissioning and radioactive waste management, including the Quinquennial Reviews (QQR) of licensees' decommissioning strategies.
- Contribute to the development of the Department of Trade and Industry's (DTI) Nuclear Decommissioning Authority White Paper and maintain dialogue with DTI and Other Government Departments to ensure smooth change over following creation of the statutory NDA.
- Continue to develop arrangements for cooperative working between HSE and DTI's Office for Civil Nuclear Security (OCNS) (the security regulator) to minimise safety and security risks so far as is reasonably practicable.
- Undertake 37 periodic safety reviews at nuclear chemical plants (over three years (2001 - 2004).
- Carry out an agreed programme of UK nuclear emergency exercises.
- Close out findings of team inspections into Sellafield control and supervision by 31 March 2003.
- Complete assessment of the Pre-construction Safety Report (PcSR) for the Dounreay Sodium and Potassium Disposal Plant by 31 December 2002.
- Implement a refined inspection programme to improve targeting of inspector resources and give indication of individual licensee performance from 1 April 2002.

Development of a holistic approach to radioactive waste management at Sellafield has been a key issue. Significant progress has been made with legacy and contaminated land management proposals drawn up. The first cycle of QQRs is largely complete. Progress has been made with BE responses to the 2001 QQR Report. Completion of this work continues to be monitored. AWE QQR work completed and a draft public report is nearing completion.

HSE contributed directly to the Government White Paper published July 2002. More recently we have been consulted extensively and have contributed towards the instructions submitted to Council March 2003 for the drafting of the Nuclear Reform Bill and the drafting of a Memorandum of Understanding between the proposed NDA and HSE.

Working level dialogue has been established at sites. Co-operative projects established on key issues Bi-ennial Review meeting programme established – first meeting held November 2002. Technical support is being provided at specific nuclear sites.

Ten PSRs completed in 2001/02 and eight (provisional) in 2002/03.

All nuclear emergency exercises including annual testing of on-site arrangements at each nuclear licensed site and the planned off-site arrangements around those sites which are carried out on the rolling national three-year programme, have been successfully completed.

All but two of the 28 recommendations have now been closed out. The remaining two (recommendations 12 and 24) will be carried forward into the start of the next reporting period.

The PcSR for the Sodium Disposal Plant has been assessed and the plant is now operational. The PcSR for the Sodium/Potassium plant is being revised by the licensee following HSE comment.

The draft structure and format for the IES Regulatory Review Process was completed within programme. The process was used October – November 2002 for the 2002/03 reviews and found to be effective.

- Review and assess ten Hazard Identification and Risk evaluations submitted under Radiation Emergency Preparedness and Public Information Regulations 2001 (REPPIR) for Nuclear Submarine systems and facilities.
- Develop improved arrangements for effective working between HSE and EA/Scottish Environment Protection Agency (SEPA) in regulating nuclear licensees.
- Consider actions needed to ensure adequate nuclear safety education and contribute to the work of the DTI-led national working group that aims to identify gaps in nuclear related skills.
- Continue to support international nuclear safety initiatives primarily through the development of standards through the International Atomic Energy Agency (IAEA), assistance to the countries of Central and Eastern Europe and bilateral contacts with the United States of America and France.
- Continue to deliver, in conjunction with nuclear operators, an agreed programme of nuclear safety research.
- Work with others and seek advice from the Nuclear Safety Advisory Committee, as necessary, on the implications for the effective working of the nuclear licensing regime of ageing of plant, the shift towards decommissioning and waste management programmes, the impact of electricity market reforms, and HSE's increasing responsibilities relating to Ministry of Defence (MoD) sites.

AWE and RRMPOL REPPIR Hazard Identification and Risk Evaluations were assessed and local authorities notified of their duty to produce off site emergency plans. The MoD site assessments were not pursued because of higher priority work.

Work continues to improve the working relationship between HSE and EA on nuclear sites. A joint document 'Working Together on Nuclear Sites' has been produced after consultation with key stakeholders and work is in progress on new ways of working on regulation of radioactive waste that better serve the interests of all parties.

As a member of DTI's Nuclear Skills Group, HSE has contributed to a report on skills shortages which makes recommendations to Ministers. HSE continues to play an important role by making presentations at conferences and seminars and is working actively with licensees, universities and training providers to develop solutions to the problems.

HSE has played a key part in developing nuclear regulatory regimes in Russia, Ukraine, Bulgaria, Slovakia and Lithuania. Feedback on the assistance provided has been very positive. Key international programmes operated by IAEA, Organisation for Economic Co-operation and Development (OECD) and WENRA focussed on Inspection Practices, Performance Indicators and Regulatory Effectiveness have been supported. Bilateral exchanges with US and French regulators have also continued.

A co-ordinated programme of nuclear safety research was agreed with the nuclear power plant licensees and approved by HSC. The programme valued at approximately £7million was developed to address HSE's nuclear safety research issues and was commissioned by HSE through the Levy Programme and by the licensees through the Industry Management Committee.

HSE's Nuclear Safety Directorate (NSD) was restructured in November 2002 to provide a greater focus on reactor decommissioning, nuclear chemical plant site remediation and managing the legacy of radioactive waste from the last 50 years. Close links have been achieved with the MoD in relation to the regulation of the Defence related sites. The nuclear licensing regime is being applied at AWE to new,

- NSD will develop a Strategic Plan, which will include a number of measures designed to gauge its success in delivering its strategic goals and its overall aim. This Plan will be made available on HSE's website.

operational, and decommissioning facilities and is bringing about improvements in safety standards.

The NSD Strategic Plan 2003-2006 is available on the NSD website.

Table 15 Selected outputs for major hazards

	2000/01 outturn	2002/03 plan	2002/03 outturn
Railways 'new' and revised safety cases	132	218	44*
Offshore assessment of safety cases	232	124	153
Offshore Wells Notifications		500 (Note: this is reactive work)	408
Onshore (chemicals, gas, explosives) assessment of safety cases	28	90	108
Nuclear nuclear licence actions	218	380	240**

**The number of safety cases processed is below the expected profile. This is because it has been necessary to return many cases to duty holders for further action and these will be carried over into 2003/04.*

*** 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.*

SECURING COMPLIANCE

Introduction

1.33 Inspection and other regulatory activities to secure compliance with the law are at the core of HSE's and local authorities' work. HSE and local authorities share responsibility for enforcement of health and safety law and work together to secure consistency of standards. HSE has responsibility for securing compliance in over 740 000 establishments and local authorities secure compliance in around 1 194 000 establishments. During 2002/03 HSE and local authorities have continued to undertake programmes of preventive inspections, investigations of incidents and complaints and formal enforcement work and have taken forward specific campaigns in certain areas focused on improving compliance.

1.34 This mix of preventive inspection and reactive investigation is based on the principle that prevention of harm is the primary aim. HSE carry out investigations in line with its criteria and procedures for selecting RIDDOR (the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) incidents and complaints. We investigate incidents to learn lessons and influence the law and guidance, to prevent them happening again, and to put serious 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.

Enforcement policy

1.35 Inspectors enforce the law in accordance with HSE's revised Enforcement Policy Statement (<http://www.hse.gov.uk/pubns/hsc15.pdf>) and apply HSE's Enforcement Management Model (<http://www.hse.gov.uk/enforce/emm.pdf>) a framework which helps inspectors make enforcement decisions. HSE continues to report on enforcement action in the Annual Offences and Penalties Report; the Report for 2002/03 will be published in autumn 2003. A copy can be found on <http://www.hse.gov.uk/enforce/index.htm>.

Securing Compliance

1.36 FOD inspections in 2002/03 focused on effective control of the hazards identified under the Priority Programmes as the prime means of judging duty holders' control of risks. Other risks evidently of concern or which were raised by employers or employees were dealt with as they arose. HSE has developed performance indicators for each of the hazard-based Priority Programmes against which were recorded the standards found when visiting workplaces and against which further improvement can be measured. 2002/03 was the first year of using this new tool for evaluation and assessment and thus provides a baseline for measuring improvement. Over 30 000 inspection visits made by FOD inspectors have been recorded using this tool. An analysis of these inspections is currently being carried out.

Table 16 Inspecting high risk premises

Plans for 2002/03	Progress during 2001/02	Progress during 2002/03
<p>HSE will carry out annual preventive inspections of all 'high-risk' or category A premises with the aim of:</p> <ul style="list-style-type: none"> ● removing them from category A within two years through improved control measures; or ● where long term action (for example, the installation of complex and expensive ventilation systems) is needed to achieve compliance, taking formal enforcement action where necessary to secure this longer term goal within two years. 	<ul style="list-style-type: none"> ● 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 foot and mouth disease restrictions. The plan is to visit these in 2002/03. 	<ul style="list-style-type: none"> ● In 2002/03, there were 1523 'high risk' premises in FOD's inspection rating system. 1482 (97%) of these were visited in the year. There was a range of reasons for non-visiting, including pending prosecution action, companies no longer existing or complex and continuing investigations making an inspection inappropriate.

Table 17 Action in industry sectors and on cross cutting hazards

The following tables report on key actions in industry sectors and for cross-sector hazards that were taken forward in 2002/03.

Key programmes of work during 2002/03**Offshore and Diving**

- HSE will inspect and investigate incidents related to lifting activities and diving activities.

Explosives

This is the second year of three-year programme to reduce levels of occupational asthma.

- HSE will continue its programme of work to assess systems that provide protection from substances likely to cause occupational asthma in the explosives industry.

Progress during 2002/03

The lifting operations programme completed at the end of 2003 with objectives having been met, the programme is now being incorporated into a new Risk Management in the Workplace programme. The inshore diving activities programme was overtaken by the need to redirect resource into the high number of fatal diving accidents. This programme is effectively closed with issues being taken forward within the inshore diving plan of work.

Follow up contacts have been made with companies that were visited during the first year of this programme to assess whether the actions that had been identified on the original visits had been completed. Progress has been made in dealing with respiratory sensitisers in the areas of assessment; substitution of less hazardous materials; management of protective equipment and improved ventilation.

Gas supply industry

This is the Second year of a three-year programme to reduce incidence of hand arm vibration (HAV). The programme, which has required active Trade Union involvement, raises the profile of the condition and focuses on the effective reporting and investigation of incidents, risk assessments, information and training and tool replacement.

Quarries

HSE inspections are a key part of a industry wide campaign to attack root causes of on-site incidents:

- inspectors will continue to take robust enforcement action at visits to quarries and will focus attention on potential hazards including: manual handling, falls from height, noise and tip/slope stability.

Mines

- There has been an increase in the incidents of Hand Arm Vibration (HAV) in the mining industry from 90 cases in 1999/00 to over 250 in 2001/02. In addition to the activity described in block 2 (major hazards), HSE's Mines Inspectorate will target the prevention of HAVs as part of its health inspection programme.

Docks

- HSE will work with the docks industry to monitor progress on the delivery of their commitment to their industry targets.

The total of diagnosed cases over each of the last three years show we are on target to achieve the reduction. The total has decreased – but the number of new cases diagnosed per month will show the real reduction – these figures are currently being compiled and progress will be reported later in the year in HSC's publication *Health and Safety Targets: How are we doing?*

Inspectors continue to concentrate on the major hazards within the industry (manual handling, falls from height, noise and tip/ slope stability) by pursuing management competence and equipment design issues. An active enforcement policy has been adopted.

Work with intermediaries continues to be productive; eg the Quarry Products Association has recommended that its members attach CCTV to all road vehicles. One company has already fitted 1350 vehicles with such devices.

Mines Inspectorate action led the major employer to completely revise its management arrangements for HAV. Lower risk ways of working and more effective health surveillance are among the improvements made. Smaller employers were advised of the lessons learned and control measures were checked through audit or targeted inspections.

National Safer Ports Initiative launched in September 2002. The British Ports Association, the UK Major Ports Group, Ports Skills and Safety Ltd, the UK Association of Private Terminal Operators, and the Docks National Health and Safety Committee (which includes regulators, employers and Trades Unions) have signed up to the initiative. The launch was addressed by the Chair of HSC, the Shipping Minister, the Chief Executive of the Maritime and Coastguard Agency and the Chair of Port Skills and Safety Ltd.

The initiative includes tougher targets than the national, all industry, RHS targets (see below).

Hazardous biological agents

Inspection programme of facilities working with dangerous pathogens, microbiological agents, genetically modified organisms in contained use conditions and biotechnology:

- number of Regulatory Contacts: 2170;
- number of high hazard/high Risk sites contacted 4; and
- number of preventative inspections 228

Chemicals

- HSE will carry out a programme of compliance inspection within the Chemicals industry and working with the Environment Agency and the Scottish Environment Agency will target chemical waste handling sites.

Noise

Significant noise risks will be considered at all proactive inspections and are being tackled as part of the Construction and Agriculture Priority Programmes.

Inspectors will:

- address the key elements for noise management, control of noise at work, and ear protection programmes where appropriate;
- make follow-up visits to evaluate the impact of inspections carried out in 2000/01; and
- in addition local authorities will be invited to use new guidance on noise in Pubs and Clubs.

2505 regulatory contacts were achieved three high hazard sites were contacted. (4th not commissioned.) 292 preventative inspections were undertaken.

A joint inspection initiative was conducted by HSE and the Environment Agency in 2002 to determine the level of compliance with health and safety and environmental legislation and promote best practice in accordance with published guidance. 25 sites were visited, at which conditions were assessed, advice provided, and enforcement action taken where appropriate. A joint HSE/EA report on the initiative is in preparation.

FOD inspectors carried out over 8500 inspections dealing with noise in whole or part. The total time spent on noise was approximately 100% over the 2002/3 target. 238 enforcement notices were issued (an increase of 20% on the previous year). Most notices were for provision of a noise assessment. In addition, a successful seminar for wood working machine manufacturers was organised, to deal with noise emissions as an initial integrity issue.

Approximately 500 of the 600 planned visits for the Single Issue Inspection Programme were carried out. A more detailed analysis of the returns from those visits is being carried out by Amey Vectra and the results will be available when the analysis is completed.

HSE produced a Local Authority Circular (LAC), 47/18 'Advice on the enforcement of the Noise at Work Regulations 1989 in leisure premises', (where recorded or amplified music is played). This is posted on the HELA website.

Asbestos

Together with local authorities, HSE will take action to reduce fatalities associated with working with asbestos through:

- Stage 1 of a five-year campaign to support the introduction of a new duty to manage asbestos in buildings. This will involve awareness raising amongst potential duty holders and their respective organisations;
- head office inspections of significant duty holders and a mail shot exercise at SMEs; and
- assessments of asbestos licence holders and inspections of their activities on site - approximately 1000 site visits are planned to ensure that risks from asbestos removal are adequately controlled. 20% of the visits will be targeted to the removal of asbestos insulating board in response to concerns over exposure to workers in building and allied trades eg plumbers, joiners, telecommunication workers etc.

Hazardous substances

- HSE will carry out inspection programmes in the paintings and coatings industry.

Awareness raising of the new duty to manage continued. Thirty-five presentations were given by FOD staff at workshops and seminars held across the country to a variety of audiences (property companies, commercial landlords, local authorities, business federations, etc). FOD staff were also involved in national and regional press conferences to launch the new duty and used appropriate opportunities during site visits to raise awareness and distribute HSE literature.

Head office inspections: due to the CAWR 2002 delays, the second, consolidation, stage of the overall campaign was postponed until the start of 2003/04. Head office visits to significant duty holders (300 plus LAs and hospital trusts) will be carried out in 2003/04. Similarly the mail shot was deferred and it is likely that this will now take the form of targeted guidance for SMEs, produced jointly by HSE and others, including the Federation for Small Businesses and the Royal Institution of Chartered Surveyors.

Assessment of asbestos licence holders: 356 assessments were conducted and 98 new and 258 renewal licences issued - a 20% increase from 2001/02. Fifty three applicants were conditionally refused a licence; of these 27 have not been deemed competent since. FOD undertook 881 site visits to 308 separate licensed contractors, representing 41% of all licence holders. 58% of visits involved AIB work. The resource required for the increased number of assessments this year has led to a reduction in overall site visits (9% down) from last year. Eight incidents of work in, or in close proximity to, hot environments and nine incidents of uncontrolled dry stripping were encountered. Of the latter all incidents except one generated enforcement action. Fifty six notices (excluding appeals) were served against licence holders (an increase of 40% from last year) and six licence holders were successfully prosecuted.

During 2002/2003, the information gathered during the inspection initiative carried out in 2000/2001 was analysed and a report produced. The findings were presented to the main industry trade associations - the British Coatings Federation and the British Adhesives and Sealants Association - and the report will form the basis for further discussions with them, particularly on the guarding of small mixers and rotostators, compliance with the Control of Substances Hazardous to Health Regulations (COSHH), and entry into

Hand-arm vibration (HAV)

- Second year of a three-year programme to eliminate the use of high-vibration risk hand-held power tools in construction and engineering and metals and minerals premises and to ensure provision of adequate vibration emission data for such tools and the use of this in their selection.

Occupational Asthma

- This is the second year of a four- year programme to reduce the incidence of occupational asthma.
- In 2002/03 inspections will be carried out across a range of industries and services where substances present significant risk of occupational asthma.
- These will address engineering controls, personal protective equipment and health surveillance.

confined spaces. To follow-up one of the report's recommendations, an enforcement initiative will be undertaken in 2003/2004 with UK machinery manufacturers and suppliers on the appropriate guarding of mixing machines.

Over 3800 inspection contacts where HAVS was discussed – more than one third in the Engineering and Utilities sector and a similar number in the construction sector. A total of 37 notices were issued – around the same number as in 2001/02. An initial programme of visits to suppliers was run to encourage them to provide improved emission data for vibrating tools at the supply stage.

The wood sector has commissioned research to examine the extent of HAVS in the woodworking industry. Initial pilot and workshop studies have been completed and the project is now carrying out industry site visits to collect relevant data in a working environment. Completion anticipated in summer 2003.

Over 7000 inspection contacts have been recorded where occupational asthma was discussed. These covered a range of sectors and asthmagens with the top three asthmagens encountered being grain dust, wood dust and isocyanates.

Almost 200 notices have been issued - a large proportion concerning isocyanates and wood dust. One prosecution involves a major shellfish processor where five employees became sensitised to prawn proteins.

Table 18 Local authorities

1.37 The work of more than 400 LAs in England, Scotland and Wales is influenced and co-ordinated by the Health and Safety Executive and local authorities Enforcement Liaison Committee (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.

1.38 A full report of the contribution of LAs to the Commission'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 2002. The reports for 2003 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/>

1.39 LAs 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.

Plans for 2002 /03

- The number of workers in the local authority enforced sectors is increasing and the role of local authorities in enforcement will continue to grow in importance. Local authorities will be expected to carry out about 300 000 enforcement visits according to a prioritised inspection programme. They have a major role to play in reducing incidents and ill health and the key to achieving this is for local authorities to work together better to improve compliance, encourage consistency and promote best practice.

Progress during 2002/03

Enforcement visit figures for this period will not become available until 2004. Finalised figures for 2001/02 will be published in July 2003.

80 LAs (20%) piloted the Topic Inspection method in support of the Priority Programme approach and have input 1770 reports to the HELA Training Coordination website.

The Synergy Programme

This is a programme of work agreed by HSE and local authorities to maximise their collective influence on the health and safety system through an improved partnership and new ways of working. The programme will result in a policy framework for determining allocation arrangements between HSE and local authorities and improved operational arrangements in the field; improved strategic arrangements between local authorities, business and Trade Unions; improved targeting of 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 local authorities.

Progress: An evaluation of the Dry-cleaning Synergy Project was completed and its findings will contribute to the forthcoming Strategic Review of HSE/LA joint working.

As part of this programme HSE will:

- undertake a review of the Health and Safety (Enforcing Authority) Regulations 1998 and produce a Consultative Document by summer 2002;
- develop an effective regime of risk rating to prioritise inspection planning by local authorities;
- develop common criteria for the effective management of local authority incident investigation processes, and their enforcement decision-making processes; and
- carry out audits of local authorities in line with new Section 18 Guidance and the auditing framework, and assist local authorities with inter-authority auditing.

This project has been held in abeyance and will now form part of the Fundamental Review of health and safety enforcement allocation by LAs being carried out by HSE/SID in 2003/04.

The current regime remains in place with HELA endorsement pending investigation of the impact of the changes to FOD's risk rating system.

HSE's Enforcement Management Model (EMM) is being issued to LAs to promote consistency of enforcement with HSE. HELA Guidance (LAC) has been issued on incident investigation criteria.

HSE carried out 14 Audits of LA management of enforcement of H&S, targeting the poorer performers. Guidance has also been issued to LAs to promote consistency of inter-authority audits. HSE contributed to a number of inter authority audits to help develop consistent standards. Examples of good practice and a model audit are being developed for inclusion on the HELA website.

Other significant activities

A review of the Lead Authority Partnership Scheme (LAPS) has been undertaken and recommendations for updating and improving the scheme are being implemented.

The HELA Training Coordination website (supported by Priority Programme Funding) contains information to LAs on Priority Programmes. This includes Topic Inspection packs and a post Inspection report form that is completed by LAs on the outcomes of each Topic Inspection. The information collected is being analysed and used by Priority Programme Boards. The website is also used to promote training materials for LA enforcement staff. It contains training material on manual handling; accident investigation; risk assessment; Legionella and asbestos amongst other topics.

Table 19 Selected outputs

	2001/02 outturn	2002/03 plan	2002/03 outturn
Total regulatory contacts:	195 695	198 674	218 574
Of which FOD contacts	169 001	172 985	186 203
Total inspections:	75 237	80 502	84 234
Of which FOD inspections	65 000	71 858	74 112
Number of RIDDOR incidents investigated	13 421	18 044	11 251
% of reported incidents investigated	8.6%	8.2%	7.9%
Number of complaints followed up	24 434	23 845	23 473
% of complaints followed-up	87.2	87	85.1%
Total enforcement notices issued	11 082 (final)	11 200	13 263 (provisional)
Total prosecutions (informations laid)	1 986 (final)	2 000	1 688 (provisional)

Notes

1. Figures include outputs from compliance activities associated with Priority Programmes.
2. Regulatory contacts cover a variety of contacts with duty holders, ranging from inspections (which themselves can range from in depth audits to short, sharp visits) to visits associated with investigations and enforcement action, seminars, workshops and other advisory activities, and visits to suppliers of equipment. From 2003/4 this measure will no longer be reported externally, rather we will report on how efficiently we allocate front line operational resource to our priorities against our plans. However numbers of regulatory contacts will continue to be used as an internal management information stream.
3. HSE carry out investigations in line with its criteria and procedures for selecting RIDDOR (the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) incidents and complaints. We investigate incidents to learn lessons and influence the law and guidance, to prevent them happening again, and to put serious breaches of legal duty before the courts. The final outturn for % of incidents investigated was below the end year target; this is partly explained by a change in the picture of incidents reported. We are confident that those incidents that meet our incident selection criteria have been investigated. From 2003/4 This OPM will be replaced with a target to investigate 95% of incidents that meet our published investigation criteria.
4. Numbers of prosecutions and enforcement notices are not targets but assume that current trends in issuing of notices and taking of prosecutions continue.

MANDATORY ACTIVITIES

Introduction

1.40 Over 2002/03 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 20 Revitalising Health and Safety (RHS)

HSC and HSE will drive up health and safety performance in cooperation with employers, their associations, workers, Trade Unions and health and safety professionals in particular through progressing the ten-point strategy and 44 action points in RHS.

Aims/Targets

deliver the RHS Strategy Statement targets by 2004 and 2010.

Plans for 2002/03

HSC and HSE will drive up health and safety performance with stakeholders through progressing:

- the ten-point strategy; and
- 44 action points in RHS.
- Deliver HSC and HSE contributions to all action points;
- agree baselines and targets for improving health and safety management systems across the Civil Service as a contribution to delivering the national targets; and
- agree industry-specific targets and baselines that contribute to the national targets.

Progress during 2002/03

Work on initiatives to implement 8 of the 10 points in the ten-point strategy is well developed. Report on progress given to HSC in December 2002.

44 Action Points: action taken on all but the legislative proposals. Many are completed – a report can be found on the HSE website under Campaigns/RHS.

Many actions are completed; some continue as part of planned workstreams (see HSE website). Further work on the evaluation framework needed.

Civil service departments were invited to agree appropriate targets; not all have done so. Renewed initiative planned for 2003/04 involving the Council of Civil Service Unions. Good practice advice developed. Research in to public reporting of health and safety covered the public sector this year; 14 out of 20 included reported but were mainly low scoring.

Many industry sectors have agreed their targets, some more challenging than RHS; all involve all parts of industry including the Trade Unions. Some good progress reported eg paper making, quarrying. Reluctance in some sectors to set targets where confidence in achieving sign-up by individual companies low.

- Local authorities will also seek to contribute effectively in the business sectors enforced by them, eg through the Lead Authority Partnership Scheme.

- Continue joint working with Other Government Departments and external stakeholders;

- support Priority Programmes, track delivery of sector targets, and extend coverage;

- ensure baselines, and monitoring for priorities; and

- develop and maintain the RHS website including details of progress against the 44 Action Points (<http://www.hse.gov.uk/revital>).

LAs continue to promote the principles and targets laid down in RHS generally and through the Lead Authority Partnership Scheme (LAPS). Membership of LAPS continues to grow with 77 partnerships registered with LAU and a further 32 prospective partnerships in negotiation. The Commission and HELA acknowledge the strategic value of LAPS, particularly with regard to the Priority Programmes, and LAP Schemes are formally recognised in the Audit Protocol in helping to promote consistency of enforcement by LAs.

Continued working with DoH on 'Securing Health' issues. Opportunities for joint agendas with DWP following the transfer of HSC/E to DWP sponsorship. Work with DTI Business Link to aid SMEs. Many professional organisations and Trade Unions have assisted with promotional activities including a conference sponsored by Professional Organisations in Occupational Safety and Health featuring stress in autumn 2002.

Eight Priority Programmes chosen as key areas. Support given to develop performance measures to track progress alongside formal statistics. Delivery Plan for PSA targets developed with help under HM Treasury's PSA Plus scheme.

Health and safety statistics for 2001/02 published in December 2002 provided the baselines for the ill health and days-lost targets; both were higher than expected on previous data.

RHS website (under Campaigns) was updated to give information on progress with the Action Points and other useful information. Work under way to make it more user friendly with clearer links to Securing Health Together.

Other significant activities

A major stakeholder conference was held in May 2002 to encourage top companies to focus on Health and safety improvements. The conference was well attended with support from industry, public sector employers and Trade Unions. Workshop sessions were lively. Continued support from professional organisations and Trades Unions and major initiatives in some industries.

The Government and HSC's challenge to companies to publicly report on health and safety is going well. It is now being supported by visits from HSC/E senior staff and the pilot development of 'national account managers' for 15 companies. Recent research <http://www.hse.gov.uk/research/rrhtm/rr135.htm> indicates the number of FTSE100 companies publicly reporting has risen to 91%, compared with 56% in the baseline report.

Table 21 Securing Health Together - SH2

HSE and local authorities will continue to support the ten year strategy to improve occupational health including developing the SH2 stakeholder framework, the SH2 website and publishing appropriate information and data.

Aims: to achieve the targets in Securing Health Together:

Targets (in addition to the health targets in Revitalising Health and Safety):

- 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 in to work as soon as possible.
- 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.
- An additional target - an increase in the use of occupational health support by 10% by 2003 – has also been agreed.

Plans for 2002/03

- Improve joint working with Other Government Departments and external organisations; and
- improve knowledge base on occupational health and strategies for improving occupational health.

Progress during 2002/03

See Cross Government Working on Health section.

HSE worked with Institute of Directors (IoD), ABI and DTI to publish Health and Wellbeing in the Workplace (Published by IOD, 2002).

Research to improve knowledge base has mostly taken place within other specific programmes of work - eg framework for rehabilitation work, uptake of Occupational Health (OH) support - see relevant sections.

We have continued to keep in touch with international developments through European Network for Workplace Health Promotion, and contact with our Australian and Northern Ireland equivalents.

- Support the SH2 Partnership Board and Programme Action Groups;

- maintain, update and develop the SH2 website;

- gather and publish intelligence on work-related ill health and the health evidence base for action; and

- implement the OHAC recommendations for improving access to occupational health support. Work in this area is being taken forward with Department of Health and overseen by an externally led Project Board.

The Partnership Board, having set the strategic direction and key priorities for the strategy, has been stood down and its role is being reviewed with the Chair, Bill Callaghan. It will be replaced next year as part of a new management structure to deliver on the next stage of implementation.

The five Programme Action Groups have each come to a point where they have completed their initial work and produced conclusions, reports or models that now need to be pursued by different groups of people. This will provide the basis for the Securing Health Together plan of work for 2003/4. More details available on www.ohstrategy.net

The website has been rebuilt to overcome some technical difficulties. 60 projects are now live on the best practice database: www.ohstrategy.net

More accessible statistics published in Health & Safety Statistics Highlights and on web.

New information sources identified for improved targets monitoring, and for a better evidence base for action.

Major progress made with method for integrating multiple data sources for progress assessment.

The Project Board's final report was presented to OHAC on 1 April. Highlights were:

- The survey of use of occupational health support in GB provided comprehensive evidence of provision.
- The occupational health and safety telephone helpline piloted in Lanarkshire, has been upgraded to become the national advice line for an occupational health service for SMEs in Scotland.
- NHS Plus is now available to SMEs. This is a service provided to more than 50% of NHS OH departments, which have met the accreditation standards.
- The TUC has developed and evaluated body-mapping materials for use in the workplace.
- Finalised with Inland Revenue, leaflet on tax rules related to the purchase of occupational health support.

Table 22 Work to modernise and simplify the regulatory framework

Small firms, new patterns of employment & vulnerable groups

HSE and local authorities will seek to improve arrangements for the management of health and safety in small firms; in areas where patterns of employment are changing; and with groups that are hard to reach or at particular risk.

Aims

- raise awareness of health and safety issues;
- make information on controlling risks and support more readily available to these groups;
- improve partnership and working relationships with stakeholders;
- better involvement of these groups in policy formulation;
- better regulation and improved compliance; and
- support delivery of RHS and implementation of Government policy on social inclusion.

Plans for 2002/03

- Encourage all parts of HSE to 'think small first';
- improve guidance and other information including an improved web page with links to relevant sites;
- disseminate good practice and promote health and safety through high level campaigns;

Progress during 2002/03

The Small Businesses Commissioner Judith Donovan hosted a conference, with speakers from Small Businesses. About 100 HSE staff attended.

Leaflets aimed at small businesses have been reviewed and are due to be launched in May. After an initial review this year, an overhaul of the website is planned for 2003/4.

HSE contributed to the content and launch of the cross Government booklet for business start ups, the 'no nonsense guide to rules and regulations for setting up a business'.

The Good Neighbour Directory was launched on the HSE Website to help small businesses locate firms in their area/region who may be able to offer them help with their health and safety arrangements.

HSE worked in partnership with Scottish Health at Work and the North Staffordshire Workplace Health Forum to launch HSC's Good Neighbour Scheme in Glasgow and Stoke respectively. Representatives from large firms were invited to share their expertise and bring about improvements in the health and safety performance in small businesses.

- link with agencies such as the Small Business Service, and other small business support systems such as Inside UK Enterprise, Connect for Better Business and Fit for the Future;

The Inside UK Enterprise (IUKE) programme started in December 02, visits took place from February 03. The programme, which is funded by Treasury's Invest to Save Budget, offers small businesses the opportunity to visit host companies around the country who offer examples of good health and safety practice.

HSE worked in partnership with the SBS to develop electronic health and safety business tools for the business support network to use with their small business clients. The tools will be supplemented by the IUKE visit programme. The whole programme is due to launch in May 03.

HSE worked with SBS, and Business links organisations in three areas to pilot a grant scheme. Part funding is offered to start-ups, and established micro-firms (up to ten employees). The scheme includes various mixtures of awareness raising events, training seminars and one-to-one consultations, the mix being as wide as possible during the pilot phase. Evaluation of the scheme has now started.

- develop guidance on responsibilities for agency workers' health and safety and advise on good practice;

HSE has been working with stakeholders throughout the year to develop the guidance and informal consultation has taken place on initial drafts. Work has progressed more slowly than we anticipated, largely due to the need to resolve a number of complicated issues.

- work with Other Government Departments to improve health and safety of potentially vulnerable groups such as children and young people;

HSE contributed to the Basic Skills Agency's new 'Employer Toolkit to improve literacy and numeracy at work'. The toolkit identifies the health and safety risks in assuming all staff have good literacy skills.

Engaged support of DfES, Learning and Skills Council, Scottish Executive and National Assembly for Wales in publishing and disseminating free leaflet *B safe, health and safety basics for employers who offer work experience*.

Results of research on effective communication with young people and their attitudes to health and safety provided to DfES and disseminated at an international forum in Finland.

- advise on the implementation of the Equal Treatment Directive to, for example, older workers and people with disabilities.

HSE has actively participated in consultation on the implementation proposals, including work to identify and address possible conflicts between:

- proposed religion or belief equality legislation and requirements to wear personal protective equipment such as hard hats; and
- proposed disability rights legislation and health and safety requirements relating to 'competence' and 'fitness' to perform a task.

Cross Government Working on Health

In line with the SH2 strategy for joint working across Government HSE and local authorities will contribute to cross-Government action on health including:

- health inequalities;
- rehabilitation and job retention; and
- promoting better working environments (including passive smoking and violence).

Aims

- reduce ill health, and improved rehabilitation and employment opportunities for people with disabilities;
- improve working partnerships across Government and with external organisations;
- develop positive approaches to job retention and vocational rehabilitation; and
- continue work on HSC's programme on work related violence so that the success in achieving HSC's target to reduce violent incidents by 10% by 2003, can be assessed in 2004.

Plans for 2002/03

- Publish the Healthy Workplace Initiative's *Sign-up* newsletter, jointly with Department of Health (DH);

Progress during 2002/03

All four quarterly newsletters have been produced, published and distributed to 30 000 readers. The website has been regularly updated, though we now believe that because other new sites have come online that this may no longer be required. This will be reviewed in 2003/4.

As part of the HWI initiative we also gave assistance to existing OH networks, eg London. With DH we attempted to establish a new network in the SW, but this failed and we will now build on existing networks rather than try to create new ones.

- work with DWP and DH on job retention and rehabilitation and hold a conference to support this;

- develop, with stakeholders, criteria for measuring and managing sickness absence;

- commission research to support a workshop on the abuse of health and safety and the employment of sick and disabled people;

- publish research findings on violence to lone workers and design of the work environment;

- hold the second ICVS conference and launch National Standards in managing work related violence.

HSE has been working in partnership with DWP, DH and OGDs, to develop a framework of support and guidance that will enable employers to proactively manage sickness absence and help to retain their staff in employment. The draft framework was shared and discussed with stakeholders which include representatives from employers, Trade Unions, professional bodies and Government Departments at a conference (Turning a Challenge into an Opportunity) in May 2002. The report was published in May 2003 and will be used as a basis for developing guidance and policies for employers in partnership with their employees and their representatives and Trade Unions. HSE has also been contributing to the implementation of the DWP/DH Job Retention and Rehabilitation Pilots which went live on 1 April 2003.

Research was commissioned to develop and evaluate a sickness absence management tool, suitable for use by a wide range of employers including SMEs and the public sector, that would help employers to identify and prevent work-related ill health and identify employees who needed help to stay in or return to work. Researchers have brought together the results from 367 postal surveys, six focus groups, five workplace visits and 16 detailed telephone interviews to provide an overview of the current practice and essential background information to aid in the design of a data recording tool.

Research was commissioned into the extent and nature of employers' use of health and safety law as a false excuse for not employing or retaining disabled people. The results of the research were the subject of a workshop in December 2002 attended by representatives from employers, Trade Unions, professional bodies and Government Departments. The findings will inform further joint action by HSE and the Disability Rights Commission on removing barriers to employment of ill, injured or disabled people.

Research has been completed and case studies are now being prepared. It is planned that these will be available on HSE website by the end of June 2003.

A very successful joint conference was held with key stakeholders on 2 December 2002. One of the key messages was the importance of working together across Government industry and with the Trade Union and trade associates. Contributions from all will help to tackle the problem of workplace violence. A report of the conference is available free on HSE's website.

- Local authorities will contribute to cross-Government action on health.

HSE has established links with the North West Regional Public Health department (NHS) and are jointly working with NW FOD Director to develop closer working with NHS and local authorities on health related priorities.

HSE has established links with the National Assembly for Wales and its National Public Health Service and are sharing details with HSE's Health Unit.

HSE continues to work with Environmental Health professional bodies in England, Wales and Scotland, supporting their policies on health issues emanating from work activities.

HSE has given a series of presentations on local authority contributions to the Priority Programme including those on health targets.

HSE has established links with the Food Standards Agency and is exploring areas of common interest with a shared public health objective.

LAU contributed to the revision of the HSE Guidance on violence at work which will be published in 2003/04.

Improving worker participation in health & safety and corporate responsibilities

HSC will seek to increase employee involvement in the management of health and safety. This will meet Governmental commitments to review and harmonise employee consultation arrangements into a single package. HSC will also seek to introduce greater corporate responsibility for health and safety including health and safety reporting and guidance for directors on their health and safety responsibilities.

Aims

- greater worker engagement in health and safety in the workplace and associated health and safety improvements as a result;
- improved management of occupational risk with associated reduction in health and safety failures and increased Board Member awareness of health and safety responsibilities; and
- greater engagement of the insurance industry in risk reduction.

Plans for 2002/03

- Consolidate regulations, ACOP and guidance on safety representation and employee involvement;

Progress during 2002/03

Proposals for harmonised regulations have required careful preparation. Proposals were considered by HSC at its meeting in July 2003. Further work is required before consultation.

- undertake a Workers Safety Adviser pilot and advise HSC and Ministers on the outcomes;
- revise Management of Health and Safety at Work Regulations and ACOP; and
- publish research on health and safety reporting in annual reports and directors' responsibilities and revise guidance taking account of stakeholder comments and research findings.

The pilot finished in November 2002. Outcomes are planned to go to HSC in May 2003. After which a report will be made to Ministers.

Draft revised management regulations, that principally would remove the civil liability exclusion applicable under the current regulations, were sent to Ministers in February 2003.

Baseline research on health and safety reporting in annual reports was published in summer 2002. Follow-up research to measure the success of HSC's work on reporting has been completed and will be published in summer 2003.

It was decided that publication of baseline research on directors' responsibilities would not be helpful without similar follow-up research. A combined report is planned for publication in summer 2003.

Revision of the guidance, taking account of stakeholders comments and the outcomes of the research, will follow in 2003/04.

European and international work

In the European Union (EU) and internationally HSC and HSE will continue to play an active and constructive role to assure the delivery of UK obligations, to promote UK policy and influence and to shape EU and international agendas including the European Commission's Occupational Safety and Health Strategy. This work will focus on:

- Better practical implementation of existing law, and performance across the EU;
- sharing information and experience with partners in other EU Member States and Applicant Countries via joint working, bilateral contacts and funded projects (including leading a twinning project with Malta);

HSE succeeded in embedding elements of the HSC/E negotiating strategy on improving the implementation of existing legislation in preference to new proposals in the EC Occupational Safety and Health Strategy (as adopted by the Council Resolution of 3 June 2002).

Risk Policy Unit has continued to participate actively with European partners on the Trustnet project, designed to determine factors influencing the credibility and effectiveness of risk governance in hazardous activities and make recommendations to solve problems. This puts particular emphasis on engaging where appropriate, wider stakeholder and public input to issue framing and decision making.

- promoting the contribution of good health and safety to both competitiveness and employability across the EU; and

EC funded Twinning Projects:

1. Malta - HSE and the HSA, Dublin, successfully completed a 12-month project on the effective implementation of Occupational Health and Safety legislation with the newly formed Maltese Occupational Health and Safety Authority.
2. HSE contributed to projects that provided health and safety information and expertise in the Czech Republic and Hungary.

Sharing information and joint working:

1. The Annual high level forum between HSC/E, Ireland's HSA and HSE Northern Ireland met in November 2002. An official level group - the construction sector liaison sub group - has been set up to address shared problems with a shared workforce.
2. Information exchange with Dutch counterparts concentrating on psychosocial and agricultural issues - January 03.
3. HSE in liaison with European partners produced a protocol, based on HSE guidance, on the safe use of printing inks cured by UV light. Protocol adopted by: Germany, France, Italy, Spain and Belgium.
4. HSE provided technical assistance to 2 applicant countries (Cyprus and Lithuania) via the TAIEX scheme.
5. Worldwide - HSE provided advice and expertise to 11 Health and Safety Organisations as well as providing sector specific study visits in construction and nuclear.

Community Occupational Safety and Health

Strategy. Through effective negotiations by officials and briefing for Ministers and Government Departments, HSE has continued to emphasise the benefits high standards of health and safety bring in improving competitiveness. This has been reflected in the Community Strategy.

Euronews - five Editions published detailing UK progress on negotiation and implementation of EU Directives. Proposals on: Noise, Vibration, Asbestos Worker Protection, Self-Employed and the Import/Export of Dangerous Chemicals now implemented in the UK.

- progressing the consideration of key ILO OSH conventions for ratification (for example ILO convention 161 concerning occupational health services).

HSC and HSE will take a full part in the work of European and international institutions including:

- European Commission Advisory and Labour Inspection Committees and sub groups;

ILO Review of unratified Conventions completed (Commission Paper misc/02/17 reports).

Luxembourg Advisory Committee – HSE has represented UK interests at four meetings of the Government Interest Group of the Advisory Committee on Safety, Hygiene and Health Protection at Work and at two plenary meetings. Contributing to key discussions on the content of the EC Occupational Safety and Health strategy.

International Association of Labour Inspection – HSE elected Chairman of IALI at its Congress and General Assembly, one of two major conferences held during the year. HSE hosts the Association's secretariat and is developing the IALI website.

Senior Labour Inspectors Committee. Senior staff attended the SLIC Committee on industry-specific topics. HSE led on the evaluation of Labour Inspection systems across Europe, including the EU Candidate Countries. Also involved on the working groups on construction, asbestos, machinery supply and the effectiveness of inspection.

Safety Commission for Mining and Other Extractive Industries (SHCMOEI). Have agreed and produced guidance based on the UK quarry regulations 1999 ACOP and guidance, on risk assessment at surface mines, use of explosives and use of vehicles. The guidance will be available on the HSE and Bilbao websites.

Aviation Health – HSE met with the US Federal Aviation Authority and liaised with Transport Canada to establish international guidelines for occupational health and safety issues on aircraft in flight. Subsequently obtaining agreement to the CAA setting up an aviation health unit at a DfT public consultation.

Miscellaneous. HSE is represented on the following International fora in ways that; contribute to HSE's priorities, ensure UK law is not compromised and raise standards of Health & Safety internationally:

- 1) DG Employment's Scientific Committee on Occupational Exposure Limits (SCOEL);
- 2) WHO/UN/ILO International Programme on Chemicals Safety (IPCS);
- 3) CEN, CENELEC, IEC and ISO;
- 4) International Maritime Organisation, and sub-Committees.

- the European Agency;
- standards-making and liaison;
- the work of the ILO, UN, IAEA, OECD and WHO.

HSE (via the UK Focal Point) supported the Agency's 2002 work programme, and integrated its work with the UK's Revitalising Health and Safety Strategy. In addition, to the 'European Week campaign' activities included, participation at SHE Solutions 2002 show, EXPO2002 Safety and Health Exhibition, the European Good Practice Awards and SME funding Scheme.

HSE is represented on numerous standards bodies and technical committees covering the range of industry and sector interests.

ILO - Agriculture, HSE contributed to a Command White Paper informing Parliament of ILO Convention 184.

HSE provided reports on various ILO Conventions including those addressing: the worst forms of child labour, Hygiene and Workers Representatives. HSE provided briefing on the UK position for DWP on the Accident notification and reporting Protocol adopted by ILO in June '02.

UN - HSE provided policy and technical expertise to Dept for Transport at the twice-yearly meetings of the UN Sub-Committee of Experts of the Transport of Dangerous Goods and modal ADR/RID committees on road and rail.

Chemicals policy and regulation

HSE has continued to contribute to EU and international policy on chemicals including the management and supply of dangerous substances and preparations and the transport of dangerous goods by road and rail. HSE has also worked to provide information and guidance to promote the safe management of hazardous chemicals and substances including asbestos.

- Implement the health requirements of the Chemical Agents Directive (CAD) through the Control of Substances Hazardous to Health Regulations (COSHH); and the Control of Asbestos at Work Regulations (CAW);

The health requirements of the directive were implemented in GB on 21 November 2002 by the Control of Substances Hazardous to Health Regulations 2002, the Control of Lead at Work Regulations 2002 and the Control of Asbestos at Work Regulations 2002.

CAD implemented by the new Control of Asbestos at Work Regulations 2002 on 21 November 2002.

- negotiate and implement EU occupational exposure limits for dangerous substances and preparations, set UK occupational exposure limits and review the framework for these;
- implement changes to chemicals (supply side) legislation through the new Chemical (Hazard Information and Packaging for Supply) Regulations (CHIP3);
- implement the safety requirements of CAD and the Explosive Atmospheres Directive (ATEX) through the proposed Dangerous Substances and Explosive Atmospheres Regulations (DSEAR), which will also replace over 20 pieces of legislation relating to flammable substances and dusts. Safety standards will be maintained by a combination of DSEAR and Approved Codes of Practice reflecting good practice in past legislation;
- progress implementation of the globally harmonised system (GHS) for the classification and labelling of dangerous chemicals;
- consult on draft proposals to revise regulations implementing amending Directives EC framework Directives 94/55 and 96/49 on transport of dangerous goods by road and rail, and produce revised guidance;
- progress outcomes from the EU chemicals review and possible new EU regime for chemicals management;
- develop COSHH essentials to help small firms control chemicals; and

HSE continues to represent the UK on the EC's ad hoc group on chemical policies in the workplace-EU occupational exposure limits are negotiated in this forum. Further information on the negotiation of the second IOELV directive is set out below.

CHIP 3 (with supporting documents) introduced July 2002 as planned.

Safety requirements implemented by Dangerous Substances and Explosive Atmospheres Regulations 2002 in December 2002.

UN Committee of Experts has developed and agreed a model scheme which will now be progressively refined. EU adoption subject to negotiation.

Unexpectedly complex range of legal issues has delayed implementation. Now rolling together 2003 amending directives with those of 2001 while completing full implementation of the Transportable Pressure Equipment Directive 1999/36/EC.

CD will be published summer 2003 with implementation expected in March 2004. 14 sets of regulations will be revoked.

HSE has participated in the development of an UK Position Statement on the likely new regime but detailed proposals are still awaited.

HSEs on-line risk assessment tool, Electronic COSHH Essentials (e-coshh), was launched in April 2002. E-coshh is very successful with target audience - particularly smaller businesses: a total of nearly 74 000 full on line risk assessments have been completed since launch giving an average rate of 4800 assessments per month; aim is 100 000 by end of 2003. Planned e-coshh expansion (Phase 2) will include process generated dusts and fumes, substances which cause asthma and risks from chemicals in commercial and retail premises. Phase 2 due for Ministerial launch during European

- Prepare for the Dangerous Substances European Week (13 – 17 October 2003).
- continue a two year campaign to improve the control of asbestos in the workplace through revised regulations on the control of asbestos at work.

Week for Safety and Health 2003. CFPD's e-coshh external promotion strategies to mid 2004, proactively target LA/SMEs/intermediaries, professional and press and trade associations/journals.

A newsletter covering all the risks from working with dangerous substances has been designed. 650 000 copies have been printed, many of which have been distributed to galvanise businesses to take sustainable action to prevent ill health from harmful chemicals.

The campaign has attracted over 1700 partners to promote the duty to manage asbestos. HSE policy advisers have spoken at over 40 events to promote the new duty. HSE also held conference for partners on 24 February at which the Minister for Work, Nick Brown spoke.

Occupational asthma

HSE will implement a strategy, agreed with external stakeholders, to improve the control of workplace substances that cause occupational asthma. A highlight during the year was the launch in March of a partnership project being led by the British Occupational Health Research Foundation to publish guidance for GPs, practice nurses, & of use to workers & employers, on the Management & Prevention on Occupational Asthma.

- Publish an action plan for taking forward the strategy and start implementation with stakeholders;
- work with TUs on training materials for use in safety representatives training courses; and
- develop COSHH Essentials style guidance for three major causes of occupational asthma.

Examples of partnership activities are; research project commissioned by the British Occupational Health Research Foundation to produce guidelines on the Management & Prevention of Occupational Asthma, & a collaborative project involving the Latex Allergy Support Group aimed at preventing asthma from latex gloves.

A work book was published in May 2002. This forms the basis of a new TUC training courses for safety representatives on occupational asthma.

Guidance on the control of wood dust, flour dust, & isocyanates in motor vehicle repair will be published in October '03.

Review of Gas Safety

- HSE will implement the recommendations within its remit from the final report of the Fundamental Review of gas safety.

The review report included 47 recommendations most of which are within HSE's remit. Progress on the main ones is given below.

- revise the gas safety (Installation and Use) Regulations;
- amend the Gas Safety (Management) Regulations;
- implement HSC strategy for gas safety publicity and awareness;
- implement the HSC Gas Safety Research Strategic Plan;
- prepare for transfer of enforcement responsibility for gas safety from HSE to local authorities;
- introduce a streamlined accredited certification scheme; and
- introduce Gas Safety Levy Regulations.

Public safety including fairgrounds

HSE will implement the outcomes of the review of safety on fairground rides. The effectiveness of this action will be assessed in light of the improvements achieved in the industry's safety record by Mid 2002.

Progress has been delayed due to new proposals from Ofgem (office for gas and electricity markets) for introducing further competition into the gas market. These have had a knock on effect on the proposals for amendments to the regulations. It is envisaged that a CD will be published early 2004.

Progress has been delayed due to new proposals from Ofgem for introducing further competition in to the gas market. Again this has had a knock on effect on the proposals for amendments to the regulations. It is envisaged that a CD will be published later in 2003.

Development and costing of a strategy is nearing completion. HSC/E and the industry are investigating how the strategy will be funded.

Work is continuing to identify research including that which would inform future publicity/awareness strategies.

Because LAs have not been allocated additional resources for enforcing gas safety legislation a revised transfer strategy is being developed. Work is underway to develop proposals for a staged transfer starting with homes in multiple occupation.

Criteria for streamlining initial assessment and re-assessment under the nationally accredited certification has been completed for domestic natural gas. Work to streamline LPG and commercial assessment is in hand.

HSE is currently considering another statutory vehicle to introduce these regulations, now that the originally intended vehicle (DfT's Safety Bill) is no longer an option following HSC/E's move to DWP.

Other significant activities

During the year work has been completed on aligning the new domestic natural gas S/NVQs with ACS. Further work is being undertaken with regard to new S/NVQs for LPG and commercial work.

HSE has actioned the recommendations of the Review of Safety on Fairground Rides. This was reported back to the Commission on 15 July 2003.

- HSE will continue to raise awareness on child safety in relation to work activities especially in agriculture, rail, construction and adventure activities.

Child safety, with a focus on educational visits, was the topic of internal HSE and DfES bilateral discussions. Results were the tightening of HSE policy and a press release of key messages. HSE also provided a health and safety objective to DfES's Splash Programme for disadvantaged young people.

Physical Agents

HSE will continue to commit policy and technical expertise on physical agents, focusing on completing negotiations on EU directives on noise and vibration.

- Complete negotiation of physical agents directives on noise and vibration and prepare plans for implementation; and work continues on negotiations on the Physical Agents (EMF) Directive.

Vibration Directive came into force on 6 July 2002 with a 3-year transposition period. Work well under way to issue in autumn 2003 Consultative Documents on implementing regulations and guidance.

Noise Directive came into force on 15 February 2003, with a three year transposition period. Expect to issue Consultative Document in spring 2004.

Other significant activities

Consolidated employer and employee leaflets on noise issued.

Workplace Safety

RHS Action Point 16 commits HSC to action on improving health and safety conditions for those affected by changing patterns of work including contractorisation and home working.

- Amend the Workplace (Health, Safety and Welfare) Regulations to take account of EC challenges and address other commitments made.
- Undertake research to help identify health and safety problems faced by homeworkers and ways to ensure they are given the same levels of protection by health and safety legislation as other workers.

The Health and Safety (Miscellaneous Amendments) Regulations 2002 came into force on 17 September 2002. These included provision to address the EC challenges and a number of other commitments in the Workplace (HSW) Regulations.

The HSL scoping study on homeworking was published in April 2002. This has led to further research to develop six best practice case studies. The research is being carried out by HSL and tackles the six main broad areas involved with homeworking. Multi-lingual guidance will be produced from the research to provide Health and safety information to both employees and employers. The guidance is expected to be available from mid to late 2004.

- publish revised guidance on Section 6 of the HSW on the supply of products and substances and review personal protective equipment guidance;

- produce guidance to clarify issues and responsibilities for contractorisation;

- work with DTI to amend the Low Voltage Directive;

- monitor Pressure Systems Regulations and effectiveness of new compressed air decompression regime; and

- implement the HSC's Strategy to reduce the number of slips and trips incidents (which is supported by the Priority Programme).

Docks

- HSE will work with the docks industry to monitor progress on the delivery of their commitment to their industry targets.

Draft guidance aimed at auctioneers and those selling new and second hand plant and/or machinery through auction is currently with the Royal Institute of Chartered Surveyors (RICS) for comment. Following acceptance by RICS it is likely that this will become a partnership publication.

Following formal consultation a leaflet entitled 'Use of Contractors: a joint responsibility' that clarifies the general health and safety responsibilities of clients and contractors to protect each other, their workforces and others was published in September 2002. Approximately 36,000 copies have been distributed to date.

Discussions have been ongoing at European level. DTI is taking the lead for the UK and our input has been limited to comment on consultation documents. There is some European support to reduce the lower limit to 0 volts. This is something that the UK is resisting on the grounds that it will include all work equipment.

The Pressure Equipment Directive became obligatory through the EU on 29 May 2002. DTI, with HSE input, have been involved in the introduction of guidelines for both implementing and enforcement of the directive.

The HSC's Strategy is currently being progressed through a number of linked projects within the Slips Priority Programme.

The industry launched its Safer Ports Initiative in September 2002 with a programme of action to achieve the targets set out in response to Revitalising Health and Safety. HSE took a significant role in the preparation of this event.

Other significant activities

HSE has been involved in:

- Revising the ACoP and Guidance to the Docks Regulations, with the assistance of the Port Skills and Safety Ltd and the TGWU as the major docks union.
- IMO/ILO work on maritime security, as far as it affects port safety and security. This has a lead to civil contingency work on restricting the imports of ammonium nitrate.
- Assisting MCA with the preparation of regulations to safeguard the loading and unloading of bulk carriers.

Links with economic and other regulators

- HSE will continue to develop its relations with economic regulators for the privatised utility companies and the railways industry and with partners in the Environment Agency, the Scottish Environment Protection Agency, The Maritime and Coastguard Agency, the Marine Accident Investigation Branch, the Civil Aviation Authority and the Air Accident Investigation Branch.

- Assisting DfT with the negotiations on the EC Port Service Directive.
- Assisting MCA with the preparation of guidance on the safety of fishing vessels and workboats.

All four activities have 'knock on' benefits for safety in ports and inland waterways.

EAU have continued to establish links across Government and engaged in the following activities: discussion with the Food Standards Agency to share best practice on undertaking regulatory impact assessments; joint meetings with the Environment Agency and DEFRA to discuss better methods for sharing information to improve resource use; discussions with Cabinet Office regarding the latest regulatory impact guidance; the Office of Fair Trade to clarify issues on the competition assessment; the SBS regarding the small business litmus test; and the rail industry in reviewing safety appraisal techniques.

HSE will shortly be publishing research examining the business costs of compliance with health and safety regulations. The findings will be shared with other regulators and the small business service to provide benchmarking.

HSE reissued the Memorandum of Understanding with the Maritime and Coastguard Agency and the Marine Accident Investigation Branch.

Table 23 Providing information and advice on health and safety

HSE will continue to provide an information and advice service to inform the public of their obligations in relation to health and safety regulations and to raise awareness of risks to health and safety in the working environment. This work is critical in supporting RHS and SH2 and in particular the Priority Programmes.

Plans for 2002/03

- Action in 2002/3 will include activity to deliver behavioural change and better-informed decision making, to promote new approaches to health and safety and to monitor the effectiveness of health and safety communications.
- HSE will continue to manage HSE Books, InfoLine, Language Services, and advertising services.

Progress during 2002/03

Market research was undertaken to understand the needs, requirements and reactions of different audiences to a range of communications including the response of SMEs to positive/negative, rational/emotional messages.

The services are contracted out and were all retendered in the last two years. Comprehensive service level agreements are in place for each service, and regular contract management meetings are held.

- HSE will continue to develop and expand its web capability including publishing all research results freely on the internet and supporting HSEdirect.
- HSE will promote key messages through media, publicity, campaigns, newsletters, videos, posters, and attendance at exhibitions, conferences occasional seminars and workshops. Examples of publicity campaigns and guidance projects planned for 2002/03 are given below.

Publicity campaigns

- Revitalising Health and Safety - a stakeholder conference will be held May 2002;
- Safety Awareness Days.

HSE Achieved:

- 62.5 million Internet 'hits';
- added 37 000 new web pages.

DIAS:

- HSE Produced 350 new publications , of which 204 were priced and 146 were free including:
 - 32 guidance books;
 - 154 research reports;
 - 10 Approved Codes of Practice;
 - 5 videos;
 - 64 leaflets/information sheets;
 - 26 newsletters;
 - 39 other reports including HSC/E Annual Report.
- HSE managed and produced 50 leaflets taken over from the Forestry Commission;
- HSE collaborated with HSE Northern Ireland in joint badging of selected HSE publications;
- HSE issued 5.5 million free leaflets;
- HSE sold 738 000 priced publications;
- HSE sold 6200 videos;
- HSE planned and delivered 23 publicity campaigns;
- HSE sold 3900 electronic products;
- HSE organised 166 publicity events.

Other significant activities

- A new architecture and structure was agreed for guidance publications.
- New design standards for publications were developed.
- Extensive promotion of high profile publications such as new asbestos titles.
- The Worksmart TV series was extended beyond Granada TV to Meridian, Anglia and Border to provide a high profile, low cost TV presence for HSE.

The conference was planned and organised with stakeholder involvement and was aimed at the Chief Executives of the top 350 companies and public bodies in Great Britain. Several Ministers attended the event.

An increased number of Agricultural Safety Awareness Days were held in the year. SADs were also introduced for the construction industry. Evaluation showed that these events are an effective way of communicating health and safety messages.

- European Week of Safety and Health to be held October 2002 publicising adverse effects of Stress in the Workplace.
- Major campaigns to promote health and safety awareness in construction and agriculture through advertising at shows and events.

Guidance projects

- Essentials of office health and safety.
- Guidance on 'at work' road safety.

EW2002 attracted a very high level of interest with a record 185 000 Action Packs requested and issued. The evaluation of the event will be available shortly.

All the planned campaigns in Agriculture and Construction Working Well Together were delivered. Evaluation showed that the campaigns were effective in raising awareness and prompting action.

This is a joint publishing project between HSE and Norwich Union. Draft guidance is currently out for consultation.

HSE is currently collaborating with Department of Transport on the development and production of the guidance.

Other significant activities

Other guidance and publications were produced during the year, including:

- *CHIP for everyone – reflecting revised regulations;*
- *Jobs to die for –* powerful book containing testimonies of those who have lost loved ones through accidents at work;
- *Managing asbestos in premises – supporting new regulations;*
- *New and expectant mothers at work – guide for all employers;*
- HSE guidance entitled *Driving at work. Managing work-related road safety* was developed in conjunction with DfT. In developing the guidance we drew on the advice of a range of safety organisations, employers and TUs in particular Prospect and the Police Federation.

Table 24 Promoting risk assessment and technical knowledge

HSC's science and technology mission is to 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 its objectives. High quality science and technology provides an essential contribution to the formulation of UK and international regulatory decisions regarding people's health and safety. HSC's and HSE's activity in this area focuses on providing the scientific and technical underpinning essential to the goal of being an effective regulator and ensuring that the policy and standards set are technically sound and cost effective.

A Quality Statement for the implementation of the Chief Scientific Adviser's Guidelines 2000 on scientific advice and policy making has been drawn up and posted on the HSE intranet.

Progress: Two major policy processes were audited and found to be in accordance with Guidelines 2000.

HSC/E's Science and innovation Strategy

HSC/E's reputation is based on its science and technological expertise. To enable HSC/E to be an effective regulator and to ensure that the policy and standards that it sets are technically sound and cost effective, high quality scientific and technological underpinning is essential - science must be at the heart of policy making. HSC/E published a joint Science and Innovation Strategy in October 2001. This describes how HSC and HSE will apply science and technology to support their mission to ensure risks to people's health and safety from work activities are properly controlled. Among other things, the strategy will:

- capitalise on existing strengths in HSE's ability to respond to operational needs;
- make transparent and direct linkages to the high level targets in the HSC Strategic Plan; and
- place a high priority on partnerships to identify gaps in scientific understanding and to share knowledge, especially with the national and international links already in place.

Research and technical knowledge

- HSE annually spends about 15% of its grant in aid on commissioned science and technology, both research and reactive work. HSE planned to spend £37.6million (at current prices) on commissioned Science and Technology (S&T) in 2002/2003. Overall expenditure on commissioned S&T was close to the plan of about £39m. Of this, the figure spent on research was £17.8m, not including research funded through HSE by industry. Research results are placed in full and free of charge on the HSE website.
- The HSC/E Science and Innovation Strategy describes the reorganisation of research and support activity in line with the Programme Blocks in the Strategic Plan (2001-04). Priority Programme Managers and those with responsibility for the other key blocks will identify and oversee research which address both specific and generic investigation of hazards to meet both policy and operational requirements to achieve HSE's priority targets and support work within its mandatory activities.

Progress: There has been good progress to implement this Strategy during 2002/03. The four Programme Blocks have all put in place appropriate arrangements to manage their research and support allocations, including Science and Innovation Advisory Groups to advice on business priorities.

- Research objectives, specific areas of current interest and new and emerging areas of interest within the Programme Blocks are identified in the HSE Strategic Research Outlook document (available on the HSE website).
- Key advisers to HSE policy makers are HSE's own scientific and technical staff, who provide considerable in-house expertise and extensive links to the wider national and international scientific community.
- HSE employs scientists and engineers who provide practical support and research; regulatory scientists and specialist inspectors who provide support and advice including commissioning work to improve understanding of risks to health and safety, to fill gaps in scientific, technical and medical knowledge and to develop and promote management and technical measures to minimise risk. Typical activities include:
 - occupational hygiene including chemicals, biological and physical agents, ergonomics and psycho-social issues including stress;
 - occupational safety including gas and chemical process safety and electrical and control systems; and
 - mechanical and structural integrity, risk assessment methodologies and application and human factors.

Progress: A major study of how HSE uses its corporate scientific and technological resources, undertaken as part of the HSE Change Programme, showed that improvements were needed in a number of key areas, eg horizon scanning, management of S&I knowledge and feeding implications about S&I developments into strategic planning. Actions taken to address these weaknesses included:

- The formation of a new Corporate Science and Analytical Services Directorate, headed by a full time Chief Scientist, which will aim to ensure that HSE policies, plans and programmes of work are based on sound evidence – especially scientific, economic, risk and statistical evidence; and
- the dispersal of many regulatory scientists and specialist inspectors to Corporate Topic Groups located in Directorates which are the dominant customers for their expertise but managed as a corporate resource.

The Health and Safety Laboratory

HSE's in-house agency, the Health and Safety Laboratory (HSL) 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.

Negotiation of a PFI deal to design, build and operate a new laboratory facility to enable HSL to collocate all its functions at Buxton is all but complete. Construction work will commence in 2002/2003 and HSL anticipate moving in to the new facility in the late summer of 2004.

Progress: Construction work has commenced on the new laboratory facility.

To secure access to expertise beyond the core capabilities of HSL, HSE has established a Framework Technical Support Agreement with seven external contractors (with an indicative spend of about £2m pa).

Risk assessment management and education

Decision-making on the basis of risk is fundamental to HSE's regulatory activities and to promoting cross-departmental co-operation in risk management.

HSE's approach to risk assessment is to ensure:

- good regulation through proportionality, consistency, transparency, targeting and accountability that promotes cross departmental co-ordination in risk management;
- effective risk communication to help stakeholders understand HSE's messages and to enable them to participate in the decision-making process;
- young people receive sufficient risk education to equip them with the necessary knowledge and skills on risk awareness; and
- safety critical professionals are encouraged to consider risk in both work practices and design.

Plans for 2002/03

- Programme of activities on risk assessment and education during 2002/03:
- publish guidance for duty holders on risk based decision making;

Progress during 2002/03

A Risk Education Programme consisting of four projects was agreed with HSC. Project Boards were established including external representation;

a range of medium and higher-level contacts has been developed in a variety of organisations that are able to exert influence on the educational system;

our innovative response to the plateau effect in health and safety performance is beginning to show results and earn the trust of educators.

Work evaluating '5 Steps to Risk Assessment', and linked to this the production of an interactive risk assessment management tool for duty holders, is being funded through the Small Firms Programme budget. Both projects will conclude 2004.

- facilitate fora for discussing risk issues in HSE, Whitehall and Europe;
- develop policy on aspects of HSE's risk based decision making;
- publish research reports on key risk issues; and
- promote risk education in schools, colleges and universities in England, Scotland and Wales and facilitate the development and use of educational materials to support this.

Revision of risk assessment case studies has progressed, but few changes have been necessary to the existing publication, so the work now has a relatively low priority. The revised version is currently out for consultation within HSE.

The planned guidance to industry on HSE's view of the role of good practice has been subsumed in the bigger programme to review HSE's approach to good practice commissioned by the Operational Management Forum (OMF) and the Board.

HSE played a significant role in development of the Cabinet Office Report *Risk: Improving Government's capability to handle risk and uncertainty*, published in November 2002. HSE staff are also actively involved in implementation of the Report's recommendations.

Risk Policy Unit began a three year programme in mid 2002 to embed the principles of *Reducing Risks, Protecting People* (R2P2) in the culture of HSE. This includes: ensuring that revision of HSE internal procedural instructions reflect R2P2 conventions; creation of indexing, search and hypertext linking to improve accessibility; and the development of simplified guidance for staff engaged in policy and strategic development.

Reports have been published on *Trust in HSC/E as a regulator* and *Understanding and responding to societal concerns*. Internal research is underway to validate and refine a 'societal concerns gauging tool' based on external research completed in 2002.

Research and anecdotal evidence shows that risk teaching in school and university is becoming more widespread although further progress is needed. A range of teaching support materials have been produced and used extensively particularly in schools.

Other significant activities

A video and teacher pack entitled *Check it out* was produced illustrating risk management techniques for 14-16 year olds about to go on work experience. HSE funded the production of a CD ROM to teach risk management techniques to 11-14 year olds in science lessons.

Risk Education web pages were added to HSE's website and literature promoting the risk education programme produced.

Table 25 Statutory and other approval schemes

In some key areas of risk HSE will continue to operate statutory assessment or approval schemes aimed at ensuring product safety before supply.

Chemical product safety

The HSE is part, or the whole, of the UK Competent Authority or the relevant UK regulatory authority for several international programmes on chemicals and their potential effect on health, safety and the environment. Some programmes, eg under the Notification of New Substances and Existing Substances Regulations, place prescriptive legal duties on HSE. Most of these programmes operate on the supply side, establishing a regulatory regime for industrial chemicals at their point of supply which then guides the risk management of the chemical as it moves through the supply chain.

Progress during 2002/03: *HSE continues to meet commitments under these programmes, both in progressing the evaluation of substances assigned to the UK and in contributing to the international debate on chemical safety. The two programmes are due to be replaced in the long term and HSE has been contributing to the international debate (in which DEFRA leads for the UK) on the best way forward. Within the Notification of New Substances Regulations (NONS) Programme, 205 items were processed against prediction of 186.*

Pesticides and biocides approval

Pesticides can present high risks to humans, (particularly the worker) and the environment. They warrant a statutory approval scheme. HSE is the Competent Authority for approval of biocides and under the Control of Pesticides Regulations has the UK lead for worker protection for both agricultural and non-agricultural pesticides. HSE carries out the technical appraisal of non-agricultural pesticides and contributes to the occupational risk assessment of agricultural pesticides. As the Biocidal Products Regulations 1998 are rolled out there will be increasing demand on HSE's activities in this area.

Progress during 2002/03: *Obligations as regulatory authority for non-agricultural pesticides and on behalf of HSE as Competent Authority (CA) for biocides were met. The predicted output of 200 approvals was reached with 90% being within the revised target dates for completion. Five reviews of older pesticides were completed and a record 12 133 enquiries were answered. Receipt income for HSE was maintained.*

Employment Medical Advisory Service (EMAS)

The Employment Medical Advisory Service 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 provide advice to HSE and local authority 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.

Electrical Equipment Certification Service (EECS)

HSC Annual Report 2001/02 reported the background to the decision to close EECS by 30 June 2003. EECS ceased trading at the end of September 2002.

Other statutory schemes

HSE also has responsibility for:

- undertaking statutory activities for the notification and consent of genetically modified organisms, and additional inspection of environmental aspects of transgenic organisms under an agency agreement with DEFRA and the Scottish Executive; HSE received 265 notifications/consents under the Genetically Modified Organisms (Contained Use) Regulations 2000; 38 visits were made to premises under the agency agreement with DEFRA and the Scottish Executive for HSE to inspect the environmental aspects of transgenic organisms;
- the notification of use or storage of biological agents under Schedule 3 of COSHH Regulations 1999; HSE received 37 notifications for the use of biological agents under the COSHH Regulations (14 under the COSHH 1999 Regulations and 23 under the COSHH 2002 Regulations);
- approval of dosimetry services under the Ionising Radiations Regulations 1999; 35 approvals were issued; and
- approval of transportable pressure vessel design: 11 approvals were issued.

MANAGING THE ORGANISATION

Business improvement

1.41 HSE achieves continuous (mainly incremental) improvement in all its activities through a rolling Business Improvement Plan (BIP) which has been operational since April 2000. During 2002/3, HSE's 'Changing HSE' programme ran in parallel to BIP but with separate management arrangements. Changing HSE is looking at key strategic, organisational, positioning and delivery options to ensure HSE continues to make the maximum beneficial impact on work-related health and safety in a changing world. With this more fundamental review in progress, the scope for incremental improvements to current business models has been more limited. Nevertheless some important incremental improvements have been delivered this year. The out-turn shows HSE achieved savings valued at £12 655 581 for the year achieved through a combination of cash savings and quantifiable added benefits. *This is equivalent to 6.1% of total administrative costs in resource terms (excluding HSL) of £207 224 606.71 - exceeding our target of 3% for year-on-year savings.*

Resources

1.42 Full details of HSC/E accounts for 2002/03 can be found in Part 2.

Staffing

Table 26 Total HSC/E staff in post by occupational group

	01.04.01	01.04.02	01.04.03
Occupational Group	Staff in post	Staff in post	Staff in post
Inspectors	1534	1625	1650.55
Other professional or specialist staff	1333	1461	1481.2
Other staff	1027	964	1030.3
	<i>(Plus 187 agency staff: 1214*)</i>	<i>(Plus 232 agency staff: 1196*)</i>	<i>(Includes 94 agency staff*)</i>
Total staff	3894	4050	4162
	<i>(Plus 187 agency staff*: 4081)</i>	<i>(Plus 232 agency staff*: 4282)</i>	

* Resource Accounts Guidance now requires inclusion of agency/temporary staff and inward secondments/loans.

Table 27 Total HSC/E staff in post by Directorate/Division

To note: figures at 1.4.01 and 1.4.02 differ from those published in previous Annual Reports because of the new requirement to include agency/temporary staff and inward secondment/loans.

Division Directorate	1.4.01 Staff in post	1.4.02 Staff in post	1.4.03 Staff in post
Health and Safety Commission Support and Senior Management Support Unit	-	-	-
Solicitors Office	35	50	34
Resources and Planning Directorate	514	515	496
Health Directorate	258	258	167
Safety Policy Directorate	140	125	114
Strategy and Analytical Support Directorate ¹	129	137	122
Rail Directorate ²	-	48	40
Operations Group	-	-	-
Operations Unit	26	29	-
Local Authority Unit	30	25	-
Operational Planning Division ³	-	-	35
Field Operations Directorate (FOD) ⁴	-	-	1712
HM Railway Inspectorate ⁴	-	-	184
Field Operations Directorate & HM Railway Inspectorate ⁴	1581	1723	-
Hazardous Installations Directorate	539	559	615
Nuclear Safety Directorate (NSD)	261	268	293
Electrical Equipment Certification Service	58	55	8
Technology Division ⁵	137	135	-
Total HSE staff	3708	3927	3820
Health and Safety Laboratory	373	355	342
Total Staff	4081	4282	4162

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 1.04.01).

3. Operations Unit & Local Authority Unit merged 01.04.02 to become the Operational Planning Division.

4. Field Operations Directorate and HM Railway Inspectorate brigaded May 2000, but separated in a re-organisation in April 2002.

5. Staff from Technology Division have been placed in other Divisions within HSE: FOD, NSD, HID, Corporate Science and Analytical Services Division and Strategy and Intelligence Division.

Recruitment

1.44 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.

1.45 During the year,

- 300 staff were recruited
- 7 'New Deal' appointments were made under fair and open competition. The New Deal Programme is a Government initiative to assist the long-term unemployed;
- 27 UK secondments/loans into and out of HSE and 14 overseas secondments were made;
- 1 extension of a short term appointment beyond the initially publicised period, and
- 13 re-appointments of former civil servants were made.

Table 28

Recruitment level	Number	Male	Female	White	Non-white	Not declared*	Disabled
SCS	2	2	0	2	0	0	0
Band 1	1	1	0	1	0	0	0
Band 2	3	2	1	1	0	2	0
Band 3	48	40	8	23	0	25	0
Band 4	88	50	38	68	3	17	0
Band 5	15	9	6	2	2	13	0
Band 6	143	51	92				0
Total	300	155	145	97	5	57	0

Notes:

*Information on ethnic status is not always provided.

Private Finance Initiative (PFI)/Public Private Partnerships (PPP)

1.46 REFIT – IT: In June 2001, HSE let a PFI/PPP contract to CMG UK Ltd, working in partnership with Computacenter, to provide IT and consultancy services including IT assets to all HSE users over the next ten years. A post implementation review was conducted between January and March 2003 to review the benefits that had been realised in the first complete year of the service. CMG UK Ltd. merged with Logica in December 2002 to form LogicaCMG Ltd., and the REFIT partnership continues under these new arrangements.

1.47 Merseyside HQ Project: Following a competitive exercise to provide new serviced accommodation for its North-West HQ, Kajima Development were chosen as the preferred bidder in December 2002. Negotiations are continuing with a view to finalising a contract by July 2003.

Sponsorship

1.48 The European Week Awards Dinner attracted sponsorship of £26 000 from 26 different organisations.

1.49 In 2002/03 HSE received sponsorship from a number of employers in support of the 2002 '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.

Road Show

Taylor Woodrow	£15 000
Hilti	£10 000
Scaftag	£10 000
3M	£5 000
Total	£40 000

Awards Dinner

CITB	£17 500
Channel Tunnel Rail Link	£5000
Hays Montrose	£5000
Norwest Holst	£5000
Birmingham Health, Safety and Environment Association	£3000
Lincsaf	£2500
Table Sales**	£20 000
Total	£58 000

*** competition entrants who 'buy' a table for their organisation for the awards dinner. Individual companies do not pay more than £5k, the figure above which organisations are identified.*

Wider markets

1.50 HSE continues to pursue an active approach to charging within the limits set by its role as a regulator.

Departmental investment strategy

1.51 HSE manages its capital assets through the Departmental Investment Strategy. Investment to support its activities is mainly in accommodation, scientific instruments and motor vehicles. An 'on balance sheet' PFI contract has been agreed for the provision of a new laboratory for HSL.

Resource accounting and budgeting

1.52 The switch from cash accounting to resource accounting by central Government Departments became effective from 1st April 2001. HSE is now planning, controlling and accounting for expenditure on a resource basis.

Reducing fraud

1.53 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

1.54 HSE's and HSL's combined payment performance figure for the 2002-03 financial year is 98.9%. Although below the Government target of 100% this is a very good outturn and we continuously seek to increase our performance level by improving the payment process.

Charging

1.56 A review of the impact of charging in industries covered by the Control of Major Accident Hazards Regulations, the administrative processes of charging, the effectiveness of the queries and disputes procedure and the reasonableness of HSE's chargeout rates were described in last year's report. Following on from that reviews of the impact of charging in the Offshore, Railways and Gas transportation industries were completed in autumn 2002. The results have been reported to Ministers who agreed that, as with COMAH industries, no fundamental change should be made to the approach to charging in these industries.

1.57 The industry-wide Charging Review Group made its annual report to HSC on 3 December 2002. Issues on which progress was reported included:

- emerging findings on the reviews of the impact of charging in the Railways, Offshore and Gas Transportation industries;
- the operation of the Queries and Disputes procedure (and guidance on it);
- charging guides; and frequency of meetings.

1.58 As part of HSC's policy of recovering costs of 'permissioning regimes' charging was introduced from 1 April 2003 for approval of dosimetry services under the Radiation (Emergency Preparedness and Public Information) Regulations 2001. Charges for granting, re-assessing and amending licences under the Asbestos (Licensing) Regulations 1983 were re-structured to operate from the same date.

Information technology

1.59 This was the first year of the services being delivered under the REFIT PFI/PPP, which has been the subject of a post implementation review, in advance of a benefits evaluation review to be conducted by the Office of Government Commerce. High service levels are being achieved and a major technology refresh has started. In addition, there was progress on about 40 projects including:

- information security - further work on implementing BS7799 (a detailed security standard) and firewalls;
- conversion of business critical business systems from Lotus SmartSuite to Microsoft Office;
- changes to existing systems: eg RASP – our finance system;
- development of new systems: eg systems to support land use planning; a ready reckoner for health and safety management; joining up HSE, Environment Agency and the Scottish Environmental Protection Agency to manage some of their duties under the COMAH Regulations; e-forms, content management and corporate communications;
- developing the outline business justification for electronic document and records management, and for COIN – the Corporate Information System for HSE's operational Directorates; and
- enhancing the management of IT enabled projects to the standards set out by the Office of Government Commerce.

Equality and diversity

1.60 Main achievements during 2002/3 were:

Leadership and taking responsibility

We have worked with HSE Directorates/Divisions to make sure diversity becomes part of HSE's culture and encouraging SCS members to act as and be seen as a corporate group leading change, fulfilling the challenge of leading by example.

1. Reinforcing behaviour

At the end of October Board Members were contacted to establish what had been done, following a Board discussion in July, to address the issues raised in a briefing note about unacceptable behaviours in HSE.

The responses suggest that most staff have been given the opportunity to see a briefing note or to participate in other ways such as discussions on stress etc. Staff were shocked that there are people in HSE who have displayed the extremes of behaviours mentioned in the briefing note, to the point of disbelief in some cases. Many did not recognise the behaviours as the day to day reality.

Directorates/Divisions said that staff appear to have a reasonable understanding of the standards of behaviour. Where standards have slipped - and a few cases have emerged - complaints have generally been dealt with quickly and appropriately. The main lessons seem to centre upon effective management, leading by example and taking swift action, encouraging an open culture and dealing with situations quickly before they get out of hand.

HSE has redrafted 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 increased confidence generated by the diversity workshops, individuals feel more empowered to challenge unacceptable behaviour as they perceive it.

2. Develop childcare strategy

We are currently continuing to subsidise Playscheme places in Bootle and Rose Court and Nursery places in Bootle. Research has begun into other ways of providing childcare subsidies to introduce greater equity for staff across HSE.

Management capability

1. Harassment Contact Adviser Network

A Harassment Contact Adviser Conference and training course was held in Bootle in March which was attended by a total of 26 new and existing HCAs. The theme of the day was to strengthen the links between the HCAs, Counselling and Support Services and Personnel Division. One of the topics dealt with at the Conference was the introduction in December 2003 of new legislation making it unlawful to discriminate on the grounds of religion, religious belief or sexual preference. A number of existing HCAs have offered to 'buddy' newly appointed HCAs or those existing HCAs who have still to undertake any interviews.

2. Disability issues

HSE has maintained its ongoing support for the Civil Service Disability Network. This has included providing the Chair of the CSDN with significant facility time and resources to carry out their duties and also hosting a meeting of the CSDN at short notice.

As part of European Year of the Disabled 2003 we have hosted a workshop for members of the NW Employers Forum on Disability and for HSE staff. We also invited an associate of the Forum to a Diversity Liaison Officer's Workshop to give a fresh perspective to members about disability issues.

The Equality team has ensured that staff with a disability continue to obtain workplace assistance and the encouragement they need.

Awareness

1. Diversity training

Following the success of the 39 diversity workshops (Geraldine Bown, Domino Consultancy Ltd) we rolled out to all staff last year, we have run three further workshops to pick up new starters and those who were unable to attend previously.

Equality Proofing performance reviews and other HR systems

1. Performance management and pay arrangements

A pilot took place throughout the 2002/3 reporting 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. Originally, it was planned to implement new arrangements from April 2003, but the initial pilot identified areas for further development. Further piloting will now take place from April 2003 with the intention of implementing new arrangements from April 2004.

Equal opportunities

1. Pathways Development Programme

There were six internal applications, of which four were successful – one of whom was also successful on SPATS and subsequently withdrew from Pathways.

2. Windsor Fellowship

HSE took a total of 17 Windsor Fellows in 2002/03. Ten students returned in 2002 for their 2nd placement and seven new students have been recruited for their first placement. We also continued our sponsorship of the Windsor Fellowship Open Day and have agreed to offer further sponsorship for the next three years.

3. Disability bursary

One person was sponsored on the Scheme in 2002 and we have agreed to sponsor the Scheme for 2003/04.

Race Equality Scheme and Race Relations (Amendment) Act 2000

1.61 HSC/E's race equality scheme was published on the 31st May 2002. It details the actions to be taken between May 2002 and May 2005 to ensure equality of opportunity and eliminate unlawful discrimination, thus complying with duties on HSC and HSE under the Race Relations (Amendment) Act 2000.

1.62 Section 6 of the Scheme sets out specific actions to be taken during each year of the plan, with a total of 21 actions identified to be completed by 31st May 2003. Section 7 of the scheme identifies that progress against the plan will be reviewed on a six monthly basis with the results reported to HSC and the HSE Board. At the end of each year we are required to publish a report detailing progress against the plan.

1.63 Progress against each of the 21 specific actions identified for year one are largely complete, with many ongoing, eg monitoring of personnel policies. The revised scheme and progress against the plan will be published in summer 2003.

Progress towards targets

Table 29 Disability

BAND	1 APRIL 1999		31 MARCH 2003		TARGET 2005*	
	NUMBER	%	NUMBER	%	NUMBER	%
SCS	0	0	1	1.8%	2	3.7
B1 (G6)	2	1.6	2	1.5%	4	3.1
B2 (G7)	7	1.2	24	3.7%	10	✓1.8
B3 (SEO)	15	1.3	47	3.5%	19	✓1.6
B4 (HEO)	11	2	16	2.5%	16	2.9
B5 (EO)	11	2.7	26	4.7%	16	✓3.9
B6 (AA/AO)	73	6.1	71	6.7%	77	✓6.4
TOTAL	119	2.9	187	4.2%	144	✓3.5

Table 30 Gender

BAND	1 APRIL 1999		31 MARCH 2003		TARGET 2005*	
	NUMBER	%	NUMBER	%	NUMBER	%
SCS	13	24.5	14	25.0%	15	29.0
B1 (G6)	8	6.2	22	16.9%	13	✓10.0
B2 (G7)	71	12.2	107	16.6%	80	✓13.7
B3 (SEO)	304	26	427	31.8%	326	✓27.8
B4 (HEO)	259	47.1	312	49.4%	275	50.0
B5 (EO)	268	65.7	372	67.4%	263	✓64.0
B6 (AA/AO)	873	72.9	747	70.2%	838	✓70.0
TOTAL	1796	43.9	2001	45.3%	1810	✓44.2

Table 31 Race

BAND	1 APRIL 1999		31 MARCH 2003		TARGET 2005*	
	NUMBER	%	NUMBER	%	NUMBER	%
SCS	0	0	0	0.0%	1	1.8
B1 (G6)	1	0.8	2	1.5%	3	2.3
B2 (G7)	7	1.2	15	2.3%	12	✓2.1
B3 (SEO)	35	3	59	4.4%	45	✓3.8
B4 (HEO)	17	3.1	57	9.0%	24	✓4.4
B5 (EO)	31	7.6	55	10.0%	38	✓9.3
B6 (AA/AO)	103	8.6	116	10.9%	118	✓9.9
TOTAL	194	4.7	304	6.9%	241	✓5.9

*Projected figures at 1 April 1999

✓ = Target met or exceeded

1.64 Our targets were set in April 1999 using an analysis of factors such as: the current situation across all job bands; age profiles; likely promotion rates; the effects of increased recruitment activity in attracting ethnic minority applicants, women and people with disabilities; and the impact of awareness raising activities, particularly on the development of staff from underrepresented groups. To these factors we then applied an element of 'stretch' to ensure our targets are genuinely challenging. We will be reviewing the targets shortly when the results of the 2001 population census are analysed.

Staff training and development

1.65 The decision was taken during the early part of the 2002/2003 to apply for Corporate liP recognition. This application ran in parallel with those for the renewal of liP status made by PD, HSL, PEFD, SASD. The assessor has interviewed staff in these Directorates, the Chairman of HSC and all three members of the HSE Executive. The assessor has indicated that he will be recommending to liP UK that HSE be granted Corporate liP status.

1.66 For centrally held contracts for training, 575 courses ran with 4890 staff trained. Subject matter ranges from general subjects such as the HSE 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. We have also launched several new courses covering Management Development for Band 6 staff, Mentoring, Team effectiveness, Writing for the Ark network and in occupational health areas, eg the Manual Handling Assessor course.

Government targets on sickness absence

1.67 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.

1.68 From April 2002 to March 2003 there was a total of 35 100 working days lost in HSE through sickness absence, an increase in the average of working days lost from 8.06 in 2002 to 8.36. However, the overall sickness absence trend is still downwards; the 2003 figures include two individuals who medically retired in March 2003 after lengthy absences. Because their total absence is included in the 2002 2003 figures, these two cases have distorted the latest figures. Excluding these two absences, the 2003 average figure is 8.02.

1.69 The new 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

1.70 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 greenhouses gases in HSE buildings by 2008-2012;
- achieving certification of ISO14001 for the functions of HSE's Business Services Division's Environmental Management System (EMS), maintaining and developing the EMS and considering opportunities for implementing such systems elsewhere on the estate;
- embedding consideration of 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;
- setting up reliable systems to measure the amount of solid waste produced by HSE to meet the cross-Government target to achieve 70% recovery and recycling in 2003-2004, 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
- completing four Building Research Establishment's Environmental Appraisal Method (BREEAM) surveys in multi occupied buildings during the period and commencing a further two.

Business risk

1.71 At its meeting on 2 October the Board agreed a high level risk register. This set out six generic risks and a 'risk owner' was identified for each. The six generic risks were analysed into twenty-five more specific risks and control systems for each identified. Work is on going to check the effectiveness of these controls and whether they are appropriate.

Welsh Language Scheme

1.72 The Welsh NVQ training has continued this year and the success of this has seen more Welsh speaking representatives from HSE assisting the public at various events throughout Wales. These include the Agricultural Safety Awareness Days organised by HSE, the TUC Cymru Conference, The Royal Welsh Show and many more. HSE has also continued its provision of Welsh language media interviews on request.

1.73 HSE produced its first back-to-back bilingual leaflet this year, adding to the wide range of publications already available from HSE.

Devolution

1.74 HSC/E has a well-established commitment to working in partnership with the devolved administrations of Scotland & Wales in areas of common and closely related interests. HSE has good working relationships with both the Scotland Office (whose Ministers have been involved in promoting key health and safety messages), the Scottish Executive and the National assembly of Wales on a wide range of issues, many of which are devolved; these include public health, agriculture, education and enterprise. The Scottish Health and Safety Revitalisers Forum has been set up by key stakeholders, with support from HSE, to help deliver RHS and SH2 effectively in Scotland while a new occupational health support service for SMEs, 'Safe and Healthy Working', has been set up in partnership with, and is funded by, the Scottish Executive. In Wales, work continues to ensure that the initiatives are embedded into the work of the Assembly and other key organisations (eg NHS Wales)

Employee involvement

1.75 It is HSE's policy to consult HSE Trade Unions, representing staff in HSE, as widely as possible in order to provide the opportunity for HSE Trade Unions to influence the development, and application of proposals relating to major organisational and staffing changes. There is a formal consultation structure between HSE management and unions within the Whitley system at both national and local levels. The HSE Whitley Council is the central forum for discussion of all matters of concern to HSE as a whole, between HSE's management and Trade Unions. National Whitleys are held quarterly and chaired by the Director General. HSE consults and negotiates with the Trade Unions about all issues affecting the terms and conditions of employment of staff. The HSE Pay Agreement provides a framework for the annual negotiations on all pay matters. For example during 2002/3 a number of staff have been involved in the development and piloting 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

1.76 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.

It is a wide-ranging and detailed plan 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.

For detailed progress on the 2nd year of the Plan see Annex 1

Health and Safety in HSE

1.77 It is HSE's policy to set and maintain exemplary standards of health and safety for its staff and contractors. HSE staff are exposed to a wide variety of potential hazards to their health and safety ranging from the normal office based risks to those that regulatory staff meet on site, eg offshore installations, construction sites, asbestos removal operations, working on the rail system etc. HSE also has a number of contractors (eg facilities management and IT contractors) and temporary staff working on HSE premises. During the year HSE continued to work towards achieving this aim and the targets set under Revitalising Health and Safety by raising the profile of staff health and safety.

Monitoring of performance

1.78

- The HSE Board discuss health and safety at every formal Board meeting, receiving the monthly accident and ill health statistics and reports on significant health and safety issues.
- The Board discusses formal midyear and end of year reports on HSE's performance which include progress against the Corporate H&S plan. Audits are carried out by HSE's Health and Safety Adviser (HSA) and considered by the Corporate Health and Safety Committee (CHSC), as well as local inspections and audits.
- During the year a Benchmarking exercise with the Highways Agency was undertaken which was of benefit to both organisations in demonstrating areas for improvement. For HSE this included reviewing purchasing policy and control of lone workers.

Consultation

1.79 HSE recognises the importance of consultation with its employees. The CHSC is the principal consultation forum between the Executive and the HSE TUs. Justin McCracken, the Deputy Director General, 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 site safety committees. Safety representatives are encouraged to be involved in work place inspections and accident/ill health investigations.

Progress on the Health and Safety Plan for 2002/2003

1.80 The HSE Health and Safety Plan for 2002/2003 set a number of priorities:

- Musculoskeletal disorders: DSE - The number of DSE-related reports of ill health continues to cause concern. Improved arrangements for DSE assessments and tighter performance measures have been implemented in all Directorates with improved training for assessors, clearer procedures, information and a discussion forum available on the intranet, to address the concerns of assessors, eg equipment available. International RSI day was used to raise awareness of key ergonomic issues

- Stress - The HSE Board in agreeing a stress strategy in June 02 recognised that they should be an early adopter of the approach and required Directorates to carry out risk assessments against the seven factors identified in 'Tackling Stress Together'. This has proved to be a challenging experience and HSE is determined to learn from the outcomes. All Directorates now have an action plan based on the risk assessments and progress will be monitored during the coming year. The raised profile of stress has led to a greater number of reports of work related stress being received during the year;
- Slip, trip accidents – campaigns and promotions to reduce the number of accidents due to slips and trips were held during the year to encourage a 'just do it' approach to getting potential hazards removed rather than leaving it to others;
- H&S of non-HSE employees where HSE has responsibility. Risk assessments were carried out where HSE has a potential interface with the public;
- Monitoring and review – Directorates reported on self audit against the Ministerial Checklist at mid and year-end, identifying priority areas for action.

In 2003/4 the priorities are:

1.81 Auditing and monitoring performance against the Ministerial Checklist and Good Practice Guide, identifying priority areas for action:

- musculoskeletal disorders;
- stress;
- slips trips and falls;
- the H&S of contractors employed by HSE; and
- work-related road risk.

Health and safety performance: Accident/ill health/near miss reports

1.82 Accidents and work-related ill health, and near misses including dangerous incidents and verbal abuse/threatening behaviour are reported and investigated. The increase in the number of reports this year is due to the higher profile of health and safety and increased awareness of the need to report incidents.

	April-March 2003	April –March 2002	Apr-March 2001
Fatal injuries	0	0	0
Major injuries	1	2	1 (1)
Over 3 day injuries	13 (1)	9 (3)	15
Minor injuries	148 (17)	114 (19)	102 (11)
Dangerous occurrences	0	2	0
Near misses, including verbal abuse and possible accidental asbestos exposure	85 (6)	72 (12)	64 (5)
Ill health cases	158 (5)	129 (1)	114 (1)
TOTAL	405	328	296

Note:

The figures for non-HSE staff are included and shown in brackets.

1.83 There were 15 RIDDOR reports during 2002/03, two of which were reported by employers of non-HSE staff. This compares with 15 last year (including three non-HSE staff) and 15 in 2000/01 (including 2 non-HSE staff). The incident rate for RIDDOR incidents is 303 per 100 000 employees. HSE estimates the total cost of the accidents/ill health to be approximately £275 000, but believe this underestimates the cost of ill health particularly due to stress. There were no claims settled during the year relating to work-related accidents.

Enforcement action against HSE: There were no prosecutions, convictions or enforcement notices against HSE during the year.

ANNEX 1

HSE's Management Plan 2001 - 2004

1) Lead and look after staff

The Strategic Plan requires dramatic improvements in how HSE engages with stakeholders and applies resources to deliver outcomes. For this HSE's workforce must be well motivated, trusted and effectively led. Revitalising Health and Safety requires all public bodies to demonstrate best practice in health and safety. It is our intention to achieve in our health and safety practices and procedures what we expect of the better companies and to ensure that we meet the standards set out in our published guidance.

We want to improve the diversity of our organisation and meeting Cabinet Office targets are part of this. We have made significant progress but much more needs to be done to see real improvements at all grades. There are important benefits to be gained from increasing diversity within HSE and we must direct these towards developing new ways of tackling health and safety and forging links with all our stakeholders.

Key priority	Action proposed and targets set	Measurement	Progress during 2002/03
Leadership 1.1 Help the HSE Board and Senior Civil Service (SCS) to lead as a corporate team and promote leadership at all levels.	<ul style="list-style-type: none">● Board to encourage SCS members to develop skills and competencies against the SCS Core.● Framework to improve in areas emerging from individual 360 degree feedback reports carried out in 2001/02.● SCS away day events to be used as means to discuss development and training needs and identifying suitable consultancy support in addressing individual and corporate development plans; and● 360 degree feedback process repeated in 2003 and sooner for new SCS members.	<ul style="list-style-type: none">● Findings on leadership from staff survey are reviewed in 2004.● Annual performance agreements and corporate 360 degree profile in 2003.● Findings from staff survey show improvement by 2004 survey.● Review 360 degree feedback against 2001 data at corporate and individual level.	<p>HSE is carrying out a leadership development programme for all of its SCS. The programme is due to be completed at the end of this year and includes ten modules which cover all aspects arising out of the 360-degree feedback.</p> <p>CS away days have been used to discuss SCS development issues.</p> <p>HSE has appointed Star Alliance to advise on leadership and other SCS matters.</p> <p>HSE intends to repeat the 360-degree exercise: timing to be confirmed.</p>

Looking after staff

1.2 ensure exemplary standards of health and safety for staff.

- By 2010 HSE will achieve the RHS targets for reductions in incidents and ill-health and Civil Service targets for managing absence; achieving half the required reductions by 2004.

- Suite of health and safety courses to be developed with an identified course sponsor to target HSE's priority areas.

- HSE targets for RHS met.

- Courses attended effectiveness and value for money evaluated.

- See section on 'Health and Safety in HSE'.

Selected staff attended H&S risk assessment training courses. Staff have also attended a range of H&S courses during the year including First Aid, DSE Assessor, Manual Handling, Health & Safety for Managers and a bespoke safe driving course. Contract awarded to Plymouth College of Further Education Course quality regularly monitored.

1.3 provide better recognition and fairer rewards.

- Develop new arrangements for managing and rewarding performance and implement these by the end of 2002/03; and

- provide a better deal for staff who support major incident investigations.

- New arrangements developed and accepted by stakeholders, and implemented to agreed cost and quality standards.

Arrangements to make high performance awards (HPAs) were developed and piloted as planned. Following issues raised about the arrangements, further piloting will now take place during 2003/04, using revised guidance and procedures to improve the proposals prior to implementation.

Further improvements have been made for staff who support major incident investigations, eg improved arrangements for claiming expenses, accommodation; health and safety, specialist support and the provision of a mobile major incident room.

Diversity

1.4 make HSE a truly diverse organisation and utilise the benefits this brings.

- By end of 2005 we will aim to move towards achieving Diversity targets in the Modernising Government programme.

- Diversity targets met and effectiveness of programme evaluated.

HSE is continuing the aim to improve progression rates towards the Diversity targets. Compliance with the Race Relations Act (RRA) is being monitored.

The first HSC/E race equality scheme was published on 31 May 2002. The scheme sets out our approach to promoting equality of opportunity and eliminating racial discrimination, both through our own employment practices as well as in the way we interact with external stakeholders, including workers, employers and members of the public. The current scheme can be viewed on the HSE website at:

<http://www.hse.gov.uk/aboutus/plans/index.htm>

During the later half of 2002, HSE actively sought views on the content of the scheme to identify any improvements that should be made at the end of the first year. In addition to requests for written comments, the consultation included a series of discussion forums with representatives of ethnic minority business communities, as well as a meeting with HSE Trade Union representatives. The contacts were extremely helpful, providing strong support for much of the scheme, but identifying a number of specific areas where we can make adjustments.

- In each of the next three years our aim is to ensure that at least 5% of new recruits are from ethnic minority communities.

- Put arrangements in place to comply with the new Race Relations Act (RRA) and relevant associated legislation in accordance with the required timetable.

- EM recruitment targets met.

- RRA implemented by due date.

Of 390 newly recruited staff in 2002/03, 19 were from ethnic minority communities, resulting in an achievement of 5.28%. The 5% target was therefore met.

Ten months on, good progress is being made in addressing the first year's priority actions. For example we have drawn up plans for improving our interaction with our ethnic minority stakeholders on both local and industry sector bases and have completed a research programme looking at cultural influences on attitudes to and awareness of occupational health and safety among small firms. Some actions are taking slightly longer than anticipated, but all are well under way. A report on the actions taken in the first year of the scheme will be published during summer 2003 and will be posted on our website at: <http://www.hse.gov.uk/aboutus/reports/index.htm>

Hard copies of the scheme and our report on progress in the first year will be available from local HSE offices.

2. Get the right people in the right place at the right time

To deliver the Strategic Plan we must ensure that the right people are in the right posts at the right time. This means improvements to our vacancy filling procedures to ensure they are effective and speedy and ensuring staff have the right skills and experience to deliver the outputs required.

Key Priority	Action proposed and targets set	Measurement	Progress during 2002/03
Vacancy filling 2.1 ensure quicker and easier recruitment and vacancy filling.	<ul style="list-style-type: none"> ● PD and D/Ds will continue to work jointly to simplify and speed up recruitment processes to achieve greatest permissible reduction in time to take up post (target: to identify further potential reductions. 	<ul style="list-style-type: none"> ● Additional potential reductions in recruitment targets are identified. ● New arrangements developed, supported and accepted by stakeholders. 	<p>Extensive use of website and direct management of advertisements, interviews, decisions has cut typical times for Discipline Specialist from advert to take up duty from 6-9 to 3-6 months. Similar for local recruitment of Band 6s with shorter time scale.</p> <p>Arrangements to make use of annual performance records for post filling purposes were developed and piloted as planned. The evaluation recommended further piloting to test proposed arrangements. This will take place during the 2003/04 reporting year as part of an extended pilot.</p> <p>Work continued during the year between to successfully simplify and speed up processes which included the launch of on-line recruitment allowing applicants to download vacancy application packs and apply on-line through HSE's websites; a move to CV based applications (replacing full application form for some hard to fill vacancies); and compressing the time between advert close</p>

- Develop arrangements for the introduction of promotion panels for internal vacancy filling. Pilot panel for Band 6 and Band 5 in Bootle and London HQs from October 2002.

- PD and D/Ds will work jointly to cut the average time to fill internal vacancies (300 posts per year: 90% of results announced within 9 weeks of advert).

- PD & D/Ds will work jointly to ensure staff have the appropriate level of security clearance for their post.

- Pilot panel evaluated by March 2003.

- Recruitment targets are achieved.
- Vacancy filling targets achieved.

date, sifting and interviewing. Success was measured against the successful filling of some posts that had not been filled for a number of years.

Band 5 pilot panel successfully introduced with 135 staff interviewed in November and results announced in December with 39 staff placed on a waiting list (31 in Bootle and 8 in Rose Court). Following the slowdown in internal vacancies from mid-year and the minimal call off from the Band 5 waiting list, the process will now be evaluated in 03/04.

External recruitment targets met. However, the downturn in external recruitment has not allowed for measurement of improvements following implementation of simplified processes described above. Internal vacancy filling targets achieved with the time to announce results from advert reduced by one week (96% of results announced within eight weeks of advert). All vacancies are advertised with the appropriate security and nationality requirements.

HSE has effective and appropriate procedures for arranging security clearance for staff.

Staff development and training

2.2 ensure better-trained and supported managers.

- All staff will have a development action plan (DAP) agreed with their line manager.

- DAPs prepared to agreed quality standards.

An alternative to the DAP process was tested as part of the pilot of new performance management arrangements. This established that pilot participants wanted regular contact and supportive discussions with their line manager. The extended pilot of the performance management arrangements will be used to highlight the purpose of a revised core framework to support and inform these discussions, based on personal development objectives being included in performance agreements (PAs) or DAPs.

- Everyone who needs to will be able to attend 'Essential Training for Managers' (ETM) modules.

- Targets for training managers achieved and effectiveness evaluated.

95 ETM courses run covering all 11 modules and delivering training to a total of 865 staff (some of these staff will have attended a number of modules).

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, effectiveness measured and corporate liP status achieved.

Arrangements to incorporate development objectives as part of the criteria were developed and piloted as planned. The pilot and subsequent evaluation of the exercise indicated that refinements to the systems should be 2004.

2.4 Bring on talent.

- A new training and development strategy to focus spend (£6m pa) better on business needs and longer term developments will be implemented in 2002/03 and progress evaluated by the Board in October 2003.

- Training provision to support individual development, IT skills and regulatory knowledge in place; and

- a strategy to bring e-learning benefits to training provision will be developed with practical guidance to implement.

- Increase interchange postings by 50% to deliver benefits to HSE Priority programmes.

- New training and development strategy implemented and Essential Training for Managers Modules evaluated.

- E-learning strategy agreed.

- Targets for interchange posting and targets for SPATS participants met.

- Success criteria specified to be evaluated.

A new training and development strategy was agreed by the HSE Board and is in place.

ETM evaluation - evaluation sheets completed by delegates provide a generally good level of satisfaction with these courses. Evaluation carried out by the Industrial Society highlighted areas such as prior training, managing at a distance and line management support for further investigation.

E-learning - scope of strategy has been agreed. Strategy, practicalities and guidance to be developed as part of pilot IT e-learning package.

UK Loans / secondments = 28 (10 in 18 out). HSE has been more successful this year in attracting loans into the organisation, although we still export more people to OGDs. This activity continues to appeal to staff at Band 2 and above with limited success at Band 5 level. Overseas secondments = 14 (4 in and 10 out). The pace of overseas secondments has slowed this year due to the stringent application of

2.5 Provide stronger and more honest performance management.

- increase number of Senior Professional Administration Training Scheme (SPATS) participants from 2 each year.
- Pilot new system for performance management in April - October, evaluate and prepare for implementation from April 2003.

- Pilot meets success criteria and Board and HSE Trade Unions agree implementation.

business case criteria. In the year there were secondments out to the USA and European countries. We had successes on the Stagiaire and Detached National Experts schemes. In addition 4 people were seconded into HSE from France, Japan and Australia and USA. Overall this activity has contributed to HSE's high profile in the European and International arena.

8 HSE members of staff began the SPATS scheme during the period.

The pilot took place as planned. The evaluation found that the performance appraisal aspect was an improvement on the current system. However, full implementation did not take place as planned from April 2003 - the progress reports above (re the HPA and post filling aspects of the pilot) refer.

3. Manage information, knowledge and experience:

Information management: HSE has considerable information resources which must be effectively managed and applied to support the delivery of the Strategic Plan. To help achieve its business objectives HSE must also implement the Freedom of Information Act (FOI) and manage its information in a way that is open and accessible.

Knowledge management: HSE's reputation hangs on the knowledge (expertise and experience) of all its staff. We must manage our information resources better, recognise (and reward) knowledge sharing and develop and communicate good practices about what works well in HSE.

Information technology and information services: electronic systems can help HSE meet strategic objectives to provide information and advice and to share knowledge. They can also help to improve customer services and meet e-Government targets. HSE has recently entered into a new partnership with an IT services provider which can significantly support business change including how our information and IT services will develop. HSE's effectiveness also relies on providing key information and publicity services which are efficient and responsive to customer needs.

Information security:

HSE's reputation relies on maintaining confidentiality, integrity and availability of all its information. Ministers have asked that all Government Departments achieve compliance with the International Standard (ISO 17799) on Information Security Management by December 2003.

Key Priority	Action proposed and targets set	Measurement	Progress during 2002/03
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.	Effective paper record keeping infrastructure now established and operational. Service Level Agreements (SLA) in place. All HSE records consolidated to Central Records Unit. HSE is developing its e-communications with LAs. To manage the information collated from LAs to produce the local authority prosecutions database more effectively, an electronic Prosecution proforma pack has been set up on the LAU closed website. The pack comprises an e-proforma and guidance on how to fill this form in. To collect this data, a separate

			<p>'stand-alone' e-mail account has been set up. The data returned from LAs is converted into a spreadsheet.</p>
<ul style="list-style-type: none"> ● meet modernising Government, electronic records management targets by December 2003; 	Modernising Government electronic records management targets met.	<p>Work has started to manage documents and records electronically. Strategic outline business case for Electronic Data Records Management accepted and funding for 2003/04 granted, when pilot arrangements will be tested.</p>	
<ul style="list-style-type: none"> ● deliver a records management system able to retain our current corporate information base and contribute to evidence based policy making by December 2003; 	<ul style="list-style-type: none"> ● Records management system meets acceptable cost, and quality standards. 	<p>Work in progress to test systems. Corporate File Plan to the National Archive* Standards, is in draft form for consultation. HSE Thesaurus agreed and accepted. * The Public Records Office is now known as 'The National Archive'.</p>	
<ul style="list-style-type: none"> ● 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; 	<ul style="list-style-type: none"> ● Staff trained to required standards on time. 	<p>Relates to MSHQ move in 2005. HSE model for records management in MSHQ has been established to provide standard. Record keeping infrastructure is being developed, as is guidance and associated training for staff.</p>	
<ul style="list-style-type: none"> ● improve functionality and content of electronic staff directory (eg staff photo's, organisation charts, staff skills and experience pages); 		<p>Following evaluation improved functionality has been gained by enabling staff photographs, their staff skills and experience and, organisation charts to be available within the Staff Directory.</p>	

3.2 Implement the Freedom of information Act (FOI) within HSE and maintain compliance with Data Protection Act (DPA) and the Code of Practice on Access to Government Information (OG code).

- convert all internal paper forms to interactive intelligent forms accessible to all staff by 31 December 2002; and

- deliver a complete programme of electronic forms for statutory notifications by 2005 and electronic records and information security by end of 2003.

- Achieve compliance with FOI Act publication scheme requirement by November 2002; and

- Ensure continued compliance with the OG Code, FOI and the DPA, in accordance with HSC/E's openness policy.

- Information Commissioner approves HSC/E publication scheme and OG Code, DPA and HSC/E policy maintained.

- No adverse assessments from the Information Commissioner (IC) on DPA and no adverse rulings from the Parliamentary Commissioner for Administration (PCA) on the Open Government (OG) Code.

Phase 1 of the project was completed during the year, as scheduled. Staff can now conduct most transactions with e-forms. Work with HSE's IT contractor has now started on Phase 2 of the project. Phase two of the project will be completed in 2003/04.

The project is on track to meet these timescales. The public can now complete key statutory notifications on the web and transmit to HSE by e-mail. The information security compliance project was taken forward and is due to complete by Dec 2003.

HSE's Publications Scheme approved by the Information Commissioner in preparation for FOI.

No adverse assessments or rulings received.

Knowledge management

3.3 utilise knowledge held in HSE, enable the creation of new knowledge and apply this to Business Objectives.

- Report to HSC and Lord Chancellor annually on openness and data protection activity.
- Use HSE's 'All Round Knowledge' (ARK) system to become a full and active member of the Whitehall Knowledge Network.
- Continue to examine new and innovative ways of sharing knowledge, eg storytelling, intranet knowledge management discussion forum etc.
- Explore development and use of science networks with HSE and beyond to maximise the effective use of scientific knowledge.

- Reports provided to acceptable time, cost and quality standards.
- Models of new ways of sharing knowledge piloted and those rolled out across HSE are evaluated.
- User specification prepared to acceptable time cost and quality standards.
- Advisory groups and science networks in place and functioning at acceptable cost and quality standards.

Provision of reports achieved.

During 2002/03 HSE liaised with the Office of E-envoy to link the ARK system to the Whitehall Knowledge Network; we expect this to take place during summer 2003.

A new Knowledge Management Section was established towards the end of 2002/03 tasked with developing a Knowledge Management Strategy for HSE.

HSE has established corporate science and engineering topic groups whose role is to look ahead at science risks and identify those which should have priority in health and safety terms. In support of this, and to help the exchange of information and knowledge between individuals and groups addressing common issues, the intention is to set up Internet 'communities of practice' (both internal and external to HSE). Suitable software is being piloted with the intention of general application in 2003/04.

	<ul style="list-style-type: none"> ● Specify and pilot an IT based model for engaging stakeholder in 2002. 		<p>HSE has reviewed existing and planned IT applications and considered their suitability for modernising, widening and improving HSC/Es interface with both intermediaries and the wider Stakeholder community. The resulting model offers the additional specific benefit of assisting in consultation as well as the more general aim of improving Stakeholder Engagement.</p>
<p>Information technology and information services</p> <p>3.4 implement the REFIT programme.</p>	<ul style="list-style-type: none"> ● Develop the work to manage the longer-term business relationship between HSE and the REFIT Partners, including producing a code of conduct by October 2003. 	<ul style="list-style-type: none"> ● Partnership in Action Project implemented to acceptable cost, time and quality standards. 	<p>The functions of the partnership fora have been established and work has started to fund major new work using the REFIT arrangements.</p>
	<ul style="list-style-type: none"> ● Take forward key projects to improve HSE's business systems by applying IT, including the upgrade of resource accounting systems, operational systems and electronic records management. 	<ul style="list-style-type: none"> ● Key projects implemented to acceptable cost, time and quality standards. 	<p>Projects have been progressing in all areas.</p>
<p>3.5 Effective communications.</p>	<ul style="list-style-type: none"> ● Implement and manage effective internal and external web services; and 	<ul style="list-style-type: none"> ● New services developed to stakeholder specifications and implemented to agreed time, cost and quality standards. 	<p>A range of projects was completed to agreed specifications and costs during the year enhancing the internal and external web services. These include a reorganisation of the HSE website by industries and topics.</p>

<p>Information Security 3.6 Maintain confidentiality, integrity and availability of information.</p>	<ul style="list-style-type: none"> ● provide HSE with an integrated communications strategy built on the RHS priorities, and engaging stakeholders. ● Establish a formal project to lead the attainment of compliance to ISO 17799 by December 2003; ● security policies reviewed and revised; ● IT security policies reviewed and revised by HSE and REFIT partner; and ● business continuity management reviewed and revised. 	<ul style="list-style-type: none"> ● Communications strategy developed and implemented to acceptable quality standards, costs and timescale. ● HSE declared Information Security Management System audited for compliance. ● All policies and practices implemented and used by all D/Ds. ● All policies and practices implemented and used by all D/Ds. ● Business continuity and disaster recovery plans in place and regularly tested. 	<p>A Communications Steering Group, which is a subset of the HSE Board, has been established to advise on the strategic approach to be taken in HSE's external communications.</p> <p>The ISO17799 project has been established, but the audit for compliance is not due until late 2003.</p> <p>Information Security Management System (ISMS) scope agreed and scoping document produced Information Security Policy Statement produced. Information Security Forum established to provide direction and management for security initiatives. Document and information security guidance reviewed; revised guidance drafted. Security intranet site established for all security information and guidance material Statement of applicability in preparation.</p> <p>IT security policies have been reviewed and reissued on HSE's Intranet.</p> <p>Business continuity management review progressing. Work has started to enhance our work on disaster recovery.</p>
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4. Secure better business planning and better business management:

Our stakeholders have an expectation that we deliver outputs and outcomes which meet their needs effectively and efficiently, that we provide value for money and that we continuously improve the way we work. This requires improvements in the way we plan our business and the way we deliver our services.

Better business planning also requires us to be better at managing corporate risks in line with Central Government recommendations.

Key Priority	Action proposed and targets set	Measurement	Progress during 2002/03
4.1 To achieve continuous business improvement (BI) through the application of appropriate business techniques to all our plans and practices.	<ul style="list-style-type: none"> ● Maintain an active network of well informed business improvement contacts throughout HSE to stimulate continuous improvement; 	<ul style="list-style-type: none"> ● Evidence in BI plan that all parts of HSE are involved in continuous improvement. 	Directorate based contacts were maintained, with the development of directorate account management in BEU. Reviews were conducted of field support and teleconferencing.
	<ul style="list-style-type: none"> ● identify cross-cutting business improvement priorities and opportunities, which have a strategic impact, to supplement D/D initiatives. 	<ul style="list-style-type: none"> ● Senior level sponsorship of two cross-cutting BI initiatives each year. 	Other cross cutting reviews were identified in the corporate support review, to be taken forward in 2003/04.
	<ul style="list-style-type: none"> ● Exploit the enhanced opportunities for business improvement that the REFIT IS partnership offers; 	<ul style="list-style-type: none"> ● Evidence of increasing use of the REFIT partners 'client-advisory service' to identify and exploit IT-enabled improvements. 	The CAS service has been used to identify how FOD can minimise the bureaucratic burdens placed on front line staff, to improve project and programme management, and contributed to the change in HSE projects.
	<ul style="list-style-type: none"> ● apply the principles of HSE's quality framework to HSE's business; 	<ul style="list-style-type: none"> ● Quality principles are evident in all HSE does. 	HSE remains committed to quality but decided during this year that it was best secured as a component of a wider management system.

- review the effectiveness of the existing quality framework selected Quality Management Systems and update accordingly;

- implement recommendations arising from specific reviews (eg Corporate Services Review);

- seek to secure maximum value from the procurements HSE undertakes; and

- refine planning and reporting systems to ensure they are fit for purpose and not burdensome to D/D.

- Evidence that quality statements make a real difference to the quality of our outcomes.

- Reviews completed and recommendations implemented.

- Gains in procurement and transaction costs.

- Planning system reviewed in line with Business planning principles.

Consistent with the philosophy of quality being a component of a wider management system the Quality Forum – part of the previous quality infrastructure - has been disbanded with quality responsibilities now embedded in normal management responsibilities.

HSE's RPD devised a three year plan of those recommendations it could deliver domestically without Board approval and has implemented many of them this year. Potential for savings outside RPD was examined in a second phase of CSR which reported to the Board in March 2003.

HSE has drafted guidance and implemented the Office of Government Commerce Value for Money initiative across HSE to quantify annual gains from procurement activity. The HSE annual return shows a VFM saving of £6.5m from a spend of £58.9m (11%).

HSE has further refined the systems and built on the improvements made during 2001/02.

	<ul style="list-style-type: none"> ● Continue to deliver 3% efficiency gain year on year and a maximum of 8% of HSE payroll cost to be spent on central service functions. 	<ul style="list-style-type: none"> ● Targets for efficiency gains and expenditure on central services met. 	<p>As outlined in the main section on Business Improvement this target was achieved.</p> <p>There has been good progress with the Continuous Improvement Programme in the following key areas;</p> <p>A Strategic Plan has been produced and Stakeholders 'views' canvassed.</p> <p>Progress has been made on the development of OPMs for outcome measures,</p> <p>work on the development of a Stakeholder Strategy has been progressing well.</p> <p>Payroll costs for central service functions continue to be provided within the 8% target.</p>
4.2 Implementation of HSE's strategy for business risk management.	<ul style="list-style-type: none"> ● Analysis of risks identified by Board in detail and review of control mechanisms; ● report to Board on results July 2002); and ● implementation and testing of any further control mechanisms needed before end of 2002/03. 	<ul style="list-style-type: none"> ● Director General in position to sign full Statement of Internal Control in 2003\04 accounts. 	<p>At its meeting on 2 October 2002 the Board agreed a high level risk register. This set out six generic risks and a 'risk owner' was identified for each. The six generic risks were analysed into 24 more specific risks and control systems for each identified. Work is on going to check the effectiveness of these controls and whether they are appropriate.</p>
4.3 To complete and implement the e-Government strategy.	<ul style="list-style-type: none"> ● Prepare an e-Government strategy which meets customer needs and delivers business benefits; 	<ul style="list-style-type: none"> ● Projects completed to agreed cost, time and quality standards. 	<p>The e-Government strategy has been completed and agreed.</p>

	<ul style="list-style-type: none"> ● make contributions to DTLR e-business strategy in January 2002 and July 2002 and every six months thereafter; ● complete and publish the initial HSE e-business strategy by April 2002. 		<p>Following DWP taking over sponsorship of HSC/E and changes in Government project management to be managed by the Office of Government Commerce, new arrangements are being developed.</p> <p>As our [first] e-business strategy is to be a component of our wider IS Strategy – which was being reviewed and updated at the end of the year - the e-business strategy was published internally only. A composite strategy will be produced in 2003/04.</p>
4.4 To integrate science and innovation with policy and operational services.	<ul style="list-style-type: none"> ● 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); and ● deliver efficiency gains from the introduction of new research management systems. ● Arrange suitable training to secure effective implementation of the quality statement on scientific advice and policy making. 	<ul style="list-style-type: none"> ● New management structures in place to timetable and acceptable standards. ● Efficiency gains achieved. ● Courses delivered to agreed quality standards and costs. 	<p>New Science and Innovation systems are in place and work on finalising the science and innovation Strategic Plan is ongoing.</p> <p>Dedicated Project Officers are in place and new research work is being managed by them.</p> <p>Review of support work commenced July 2003.</p> <p>Training for all new project officers and science and innovation administrators has been undertaken. HSE Quality Statement for the implementation of DTI/OST's Guidelines 2000 and training initiatives for specialist inspectors and policy staff under review.</p>

4.5 To develop a Statistics Strategy and apply it to policy and operational services.

- 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.

- Projects completed to agreed cost, time and quality standards.

A statistical strategy is being developed by the Statistics and Information Board, building on an analysis of HSE's business needs for statistics. The primary route for publication of statistical material is now the web, and PDF and spreadsheet versions of statistical tables are provided throughout.

4.6 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.

The volume of evaluation has risen over the last year. HSE has been looking closely at what is covered during evaluation. One element that has been strengthened is to ensure that policy is based on sound evidence.

ANNEX 2 END YEAR OPERATIONAL OUTPUTS AND PERFORMANCE REPORT

The following table provides information on HSE's key operational outputs and performance measures for 2002/03.

KEY OUTPUTS AND PERFORMANCE

for 2002/03	Profile	Outturn	Variance
Regulatory contacts	198 674	218 574	19 900
Preventive Inspections	80 502	84 234	3732
Number of incidents investigated	18 044	11 251	(6793)
% of incidents investigated	8.2%	7.9%	(0.3%)
Number of complaints investigated	23 845	23 473	(372)
% of complaints investigated	87.0%	85%	(2%)
Number of safety cases processed	791	545	246

Regulatory contacts

The final outturn for numbers of regulatory contacts is 10% above profile. In HSE's Field Operations Directorate (the main contributor), the final outturns for both inspection and regulatory contacts were above profile. From 2003/4 this OPM will no longer be reported externally, rather we will report on how efficiently we allocate front line operational resource to our priorities against our plans. However numbers of regulatory contacts will continue to be used as an internal management information stream.

Investigating incidents and complaints

The final outturn for % of incidents investigated was 7.9% (0.3 percentage points below the end year target of 8.2%), this is partly explained by a change in the picture of incidents reported. We are confident that those incidents that meet our incident selection criteria have been investigated. From 2003/4 this OPM will be replaced with a target to investigate 95% of incidents that meet our published investigation criteria. The final outturn for the % of complaints investigated was 85% (2% percentage points below the end year target).

Safety cases

The final number of safety cases processed is below the expected profile. This is because it has been necessary to return many cases to duty holders for further action and these will be carried over into 2003/04. With safety cases being returned it has been possible to divert this resource to regulatory contacts; this contributed to the higher outturn on contacts for our Major Hazards Directorates.

HSC/E Mission: To ensure that risks to people's health and safety from work activities are properly controlled

Contextual indicators (the environment in which HSE carries out its work)

Upated fatal and major injury rate per 100 000 workers: 261.6 (2000/01); 268.9 (2001/02, provisional)

Output and performance measures	Plan	Outturn
MAJOR HAZARDS		
Number of safety cases/reports and nuclear licence actions considered and processed	812	545
% safety cases/reports and nuclear licence actions processed to time	88%	68.4%
COMPLIANCE		
Number of regulatory contacts, including inspections and investigations, made with employers and duty holders	206 000	218 574
Number of incidents/complaints investigated	41 500	34 724
% Complaints (about work activities) investigated (provisional) ¹	87%	85%
% Reported events (incidents) investigated	8.2%	7.9%
% High hazard/risk workplaces receiving annual site regulatory contact	100	97.4%
% Inspector time on site/contact and related activities (as a proportion of total time available)	80%	76.4%
MANDATORY ACTIVITIES		
Sets of regulations, ACOPS, Consultative Documents and new guidance documents introduced ²	67	Not collected
% sets of regulations, ACOPs, Consultative Documents and guidance documents introduced to time	90	Not collected
Provide information and advice		
Number of publicity products purchased or accessed (including electronic) millions	45.7m	68.8m
Number of publicity products made available	23 129	38 233
Number of enquiries dealt with	No target set	263 494
% Infoline calls answered within 15 seconds	80	81
% public enquiries responded to within ten days	100	100
Implement risk and technical policy projects	80	53
% of research projects to be let through competition or collaboration	55-65	65
Operate statutory schemes		
Providing regulatory services, eg issuing exemptions, statutory certificates	4501	2383
% Service products (statutory certificates etc) processed to time	95	100%
Management of HSE		
Efficiency gains (cash and productivity) as % of total running costs	3.0	6.1%
% staff payroll costs devoted to central services, eg personnel, planning, finance	8.0	7%

¹ The end year outturn for Numbers of complaints followed up is provisional.

² Following an agreement between PEFD and Policy Directorates, the OPM for sets of regulations ACoPs, Consultative Documents and new guidance introduced was not collected for 2002/03.

ANNEX 3 LEGISLATIVE TIMETABLE: EUROPEAN PROJECTS

All projects and projected milestones in this timetable are subject to the results of consultation and, where applicable, the adoption of the relevant European Directives.

Title of project/directive	Action planned	Progress made during 2002/03
Chemical agents Carcinogens Directive 1999/38 2nd amendment.	Directive to be implemented by amending COSHH2002. Milestones set <ul style="list-style-type: none"> ● Consultative Document to be issues September 2002. ● Regulations to be submitted March 2003. 	Consultative Document published on 10 October 2002. COSHH (Amendment) Regulations 2003 approved by HSC on 11 March 2003 and came into force on 29 April 2003.
Chemical Agents Directive 98/24/EC (CAD).	<ul style="list-style-type: none"> ● Safety requirements to be implemented with ATEX (Explosive Atmosphere Directive 1999/92/EC. ● Health requirements to be implemented through replacement COSHH (Control of Substances Hazardous to Health Regulations 1999), Lead Regulations 1998 and Control of Asbestos at Work Regulations 1987. Milestones set <ul style="list-style-type: none"> ● Regulations to be submitted summer 2002. 	Safety requirements implemented by Dangerous Substances and Explosive Atmospheres Regulations 2002 in December 2002. Health requirements implemented by the Control of Substances Hazardous to Health Regulations (COSHH) 2002, the Control of Lead at Work Regulations (CLAW) 2002 and the Control of Asbestos at Work Regulations (CAW) 2002 (apart from Regulations 4 and 20, already announced by Ministers) which came into force on 21 November 2002, and replace the COSHH Regulations 1999, CLAW Regulations 1998 and the CAW Regulations 1987.
First indicative Occupational Exposure Limit Value Directive 00/39/EC.	<ul style="list-style-type: none"> ● This directive has been implemented within GB & Northern Ireland through Publication of EH40/2002. Implementation in Gibraltar is still pending and HSE is consulting with Gibraltar on a suitable legislative vehicle. Milestones set <ul style="list-style-type: none"> ● Gibraltar Regulations must be made by 1 March 2002. 	This directive was implemented in Gibraltar in March 2002.

<p>Draft 2nd Indicative Occupational Exposure Limit Value Directive.</p>	<ul style="list-style-type: none"> ● This draft directive will introduce occupational exposure limits to be agreed by the EU and will be implemented through amendment /revisions to EH40 following consultation. <p>Milestones set</p> <ul style="list-style-type: none"> ● Vote on technical progress expected before summer 2002. 	<p>This draft directive concluded negotiations through the EC's ad hoc group on chemical policies in the workplace (AHG) in April 2003. The AHG's draft opinion was submitted and adopted to the Luxembourg Advisory Committee in May.</p> <p>Vote on technical progress successfully delayed; now likely for autumn 2003.</p>
<p>Dangerous Preparations Directive 1999/45/EC and 1st Adaptation to Technical Progress (ATP) 2001/60/EC. Safety Data Sheets Directive 2001/58/EC 2nd amendment; and Dangerous Substances Directive 2001/59/EC 28th ATP. Dangerous Substances Directive 29th ATP.</p>	<ul style="list-style-type: none"> ● Most requirements are to be implemented through revised and consolidated CHIP (Chemical (Hazard Information and Packaging for Supply) Regulations including a new Approved Supply List (ASL), Approved Classification and Labelling Guide and Revised Safety Data Sheets ACOP. A CD was published summer 2001. ● The 29th ATP to the Dangerous Substances Directive is still under discussion but publication is not likely until late 2003/4 at the earliest. <p>Milestones set</p> <ul style="list-style-type: none"> ● Regulations to be submitted spring 2002. 	<p>New CHIP Regulations introduced July 2002 (within EU deadline). All relevant directives implemented.</p> <p>Directive still awaited August 2003.</p>
<p>Asbestos: EU proposals to amend the Worker Protection Directive 83/477/EEC.</p>	<ul style="list-style-type: none"> ● Proposal was adopted July 2001 and is now under discussion in European Council. Spanish Presidency is keen to progress the proposal. 	<p>Regulations submitted summer 2002.</p> <p>Directive adopted 27 March 2003 and published in the official journal on 15 April 2003. UK Regulations to implement the Directive must be in place by 15 April 2006.</p>
<p>EC Regulation on the Import and Export of Dangerous Chemicals.</p>	<ul style="list-style-type: none"> ● Proposed EC regulation to introduce enhanced measures to inform non-EU countries about the dangers of exported chemicals. To replace the current Regulation. This proposal will implement the Rotterdam Convention on Prior Informed Consent (PIC). 	<p>The Presidency was able to fast track this dossier following successful negotiations in the Working Group. Regulation 304/2003 was adopted on 19 December 02 and came into force on the 7 March 03. The UK enforcement regulations SI 2415 must be updated to enable the enforcement provisions of the new Regulation.</p>

Proposal to amend the EU Marketing and Use Directive.	<p>Milestones set Commission due to publish draft in spring 2002.</p> <ul style="list-style-type: none"> ● Amendment in relation to the marketing and use of azodyes, adoption is expected mid 2002. ● Amendment restricting the level of chromium VI cement. 	<p>Azodyes amendment adopted 11 September 2002. DTI responsible for UK implementation by 11 September 2003.</p> <p>Cement amendment adopted on 18 June 2003 and published in the official journal on 17 July 2003. UK implementation by 17 July 2004.</p>
Proposals for EU Chemicals Strategy.	<ul style="list-style-type: none"> ● EU White paper is expected summer 2002. 	Full proposals for legislation to implement the published White Paper are still awaited.
<p>Physical Agents Proposal for a European Parliament and Council Directive on Physical Agents (Vibration).</p>	<ul style="list-style-type: none"> ● This is likely to be adopted in spring 2002. <p>Milestones set</p> <ul style="list-style-type: none"> ● (if adopted in spring) Consultative Document to be published late 2003. 	Vibration Directive came into force on 6 July 2002 with a 3-year transposition period. Work well under way to issue in summer 2003 Consultative Documents on implementing regulations and guidance.
Proposal for a European Parliament and Council Directive on Physical Agents (Noise).	<ul style="list-style-type: none"> ● This is likely to be adopted in mid 2002 with and implementation date for mid 2005. <p>Milestones set</p> <ul style="list-style-type: none"> ● (if adopted) a Consultative Document should be published in early 2004. 	Noise Directive came into force on 15 February 2003, with a three-year transposition period. Expect to issue Consultative Document in spring 2004.
<p>Rail transport Interoperability of the trans-European conventional rail system (2001/16).</p>	<ul style="list-style-type: none"> ● Directive will be implemented by spring 2003, DTLR lead HSE will contribute. ● Directive scheduled to be implemented spring 2003. 	Implementation delayed.
Railways High Speed Interoperability Directive 1996/48.	<ul style="list-style-type: none"> ● Directive to be implemented through Railways (interoperability) (high speed) Regulations 2002 (DTLR Lead, HSE will be contributing). 	Regulations came into force 16 May 2002. The Railway (Interoperability) (High Speed) Regulations 2002 - S12002 No. 1166.

<p>Transport of dangerous goods Amendment to the UN model regulations on the transport of dangerous goods.</p>	<p>Milestones set Regulations to be implemented by spring 2002.</p> <ul style="list-style-type: none"> ● DfT Lead, negotiations are expected to be completed during 2002. 	<p>Completed. 13th revised edition published in August 2003.</p>
<p>Transport of Dangerous Goods by Road Commission Directive 2001/7 adapting for the third time Council Directive 94/55/EC. Transport of Dangerous Goods by Rail Commission Directive adapting for the third time Council Directive 96/49/EC.</p>	<ul style="list-style-type: none"> ● Current Transport of Dangerous Goods Regulations and approved documents will be replaced by a single set of regulations implementing all requirements. <p>Milestones set ● CD to be published summer 2002.</p> <p>Regulations must be made by 1 January 2003.</p>	<p>Unexpectedly complex range of legal issues has delayed implementation. Now rolling together 2003 amending directives with those of 2001 while completing full implementation of the Transportable Pressure Equipment Directive 1999/36/EC.</p>
<p>Transport of Class 7 (Radioactives) Dangerous Goods by Rail Commission Directive 2001/6 adapting for the third time Council Directive 96/49/EC.</p>	<ul style="list-style-type: none"> ● Current RAMRail Regulations will be replaced. <p>Milestones set Regulations should be in place April 2002.</p>	<p>CD published summer 2003 with implementation expected in March 2004. 14 sets of regulations will be revoked.</p> <p>The Packaging, Labelling and Carriage of Radioactive Material by Rail Regulations 2002 came into force on 2 September 2002.</p>
<p>Work equipment Proposal for Third amendment to the Machinery Directive.</p>	<ul style="list-style-type: none"> ● DTI lead, council agreement is expected late 2002. 	<p>Progress steady but slow. Agreed text expected during 2nd half of 2003.</p>
<p>Use of Work Equipment Directive (dealing with Temporary Work at heights) 2nd amendment.</p>	<ul style="list-style-type: none"> ● To be implemented by July 2004 as a single set of Work at Heights Regulations. 	<p>Publication delayed until summer 2003 as a result of extensive internal & external consultation on drafting of regulations.</p>
<p>Major hazards Pipelines Safety.</p>	<p>Milestones set ● Publish CD late in 2002.</p> <ul style="list-style-type: none"> ● A decision on a pipelines Directive is unlikely until after an EC amendment to the COMAH Regulations 1999 expected by the end of 2002. 	<p>Seveso amendment still ongoing.</p>

Proposal for an amendment to the SEVESO Directive (96/82/EC).

- The proposal is expected in 2002 and would require amendment to COMAH Regulations 1999.

At second reading, adoption foreseen mid to late 2003.

LEGISLATIVE TIMETABLE: Domestic projects

All projects and projected milestones in this timetable are subject to the results of consultation.

Title of project/regulations	Action planned	Progress made during 2002/03
Adventure Activities Regulations.	<p>DfES expect to review legislation in 2002-03 (date not confirmed). HSE will provide advice to the Commission.</p>	<p>DfES issued CD (Triennial Review of Licensing) which closes 30 April 2003. HSE has advised the Commission who agreed their response at the HSC meeting of 8 April.</p>
Control of Asbestos at Work Regulations (management of risk in workplace premises).	<ul style="list-style-type: none"> ● To amend regulations and produce a New ACOP for the Management of Asbestos. <p>Milestones set</p> <ul style="list-style-type: none"> ● Second Consultative Document published 2001. ● Regulations expected autumn 2002. 	<p>The Control of Asbestos at Work Regulations 2002 were made on 24 October 2002. Most regulations came into force on 21 November 2002, apart from the duty to manage asbestos (21 May 2004) and the requirement for accreditation to analyse materials to identify asbestos (21 November 2004). The new duty to manage ACOP and two revised existing CAW ACOPs were published on 16 December 2002.</p>
Construction (Design and Management) Regulations.	<ul style="list-style-type: none"> ● To amend regulations and ACOP. <p>Milestones set</p> <ul style="list-style-type: none"> ● HSE discussion document expected May 2002. ● Consultative Document to follow later in 2002/3; and ● revised regulations laid 2003/04. 	<p>Discussion Document was published September 2002. This was much wider than originally planned, looking for levers to change the industry culture in a much more fundamental way than just changing the regulations.</p> <p>Consultation Document to follow later in 2003.</p>
Construction (Health, Safety and Welfare) Regulations 1996.	<ul style="list-style-type: none"> ● To amend the regulations and ACOP. <p>Milestones set</p> <ul style="list-style-type: none"> ● Consultative Document published 2002. ● New regulations laid 2003/4. 	<p>This project has been combined with the Discussion Document on Construction (Design and Management) published September 2002.</p>

Control of Explosives Regulations 2001.	<ul style="list-style-type: none"> ● New regulations to rationalise existing provisions. <p>Milestones set</p> <ul style="list-style-type: none"> ● Consultative Document published 2003. ● New regulations laid 2003/4. 	Work on COER delayed until work on the Manufacture and Storage of Explosives Regulations completed. CD now expected 2004.
Control of Major Accident Hazards Regulations 1999 (COMAH)	<ul style="list-style-type: none"> ● Both sets of regulations to be amended to extend the cost recovery for emergency planning provisions. 	Project returned to leading departments due to HSE concentration on core health and safety activities.
Radiation (Emergency Preparedness and Public Information) Regulations 2001 (REPPIR).	<p>Milestones set</p> <ul style="list-style-type: none"> ● Consultative Document published mid 2002 with amendment regulations expected end of 2002. 	
Control of Substances Hazardous to Health 1999.	<ul style="list-style-type: none"> ● Amend provisions on biological agents and the supporting ACOP. <p>Milestones set</p> <ul style="list-style-type: none"> ● ACOP to be submitted summer 2002 (in parallel with amended regulations.). 	COSHH 2002 came into force on the 21 November 2002. Part of this work was to amend the biological agents provisions of COSHH. The main aim of the changes was to make it clear that COSHH applied to biological agents as well as chemicals. A new ACoP was also produced to support the changes made to the biological agents' provisions of COSHH.
Dangerous Goods in Harbour Areas Regulations.	<ul style="list-style-type: none"> ● Regulations, ACOP and guidance to be amended in light of consultation exercise. <p>Milestones set</p> <ul style="list-style-type: none"> ● Regulations expected end of 2002. 	The amending package was discussed at the HSC's Advisory Committee on Dangerous Substances in February 2003. Further proposals were put forward at this stage. Regulations to incorporate those amendments are now being considered and regulations are now expected to be implemented autumn 2003.
Docks Regulations.	<ul style="list-style-type: none"> ● Regulations, ACOP and guidance in process of revision in consultation with the industry. <p>Milestones set</p> <ul style="list-style-type: none"> ● CD on draft package expected early 2003. 	HSE continues to progress the review of Docks Regulations and ACOP, but this has been delayed because of other priority work. The CD is now expected towards the end of 2003.

Duty to investigate workplace accidents, etc.

- Consideration of responses to recent consultation exercise.

Milestones set

- If appropriate, recommendations for new regulations will be made to Ministers in 2002/3.

Factories Act 1961; Offices, Shops and Railway Premises Act 1963.

- Consolidation and removal of remaining requirements where possible.

Milestones set

- Issue CD in 2003.
- Submit regulations in 2005.

HSC agreed to issue guidance in the first instance, to help employers understand how to investigate incidents so that they can learn from them and prevent injury and ill health in the future. The effectiveness of this approach will be assessed and if no improvement is observed regulation may be reconsidered.

Review of the Acts' extant provisions continues on an ad hoc basis. Some parts of the Factories Act and related regulations were removed by the Dangerous Substances and Explosive Atmospheres Regulations 2002 (DSEAR). Internal consultation has taken place on the potential removal of other sections and regulations as part of the planned review of the Workplace (Health, Safety and Welfare Regulations) 1992. This project is progressed as resources allow, with the current intention of completing the review and issuing a Discussion Document in 2003/04, issuing a Consultation Document in 2004/05 and submitting regulations in 2005.

First Aid at Work Regulations 1981.

- Research project to review and evaluate the legislation and guidance and to consider need for revisions.

Milestones set

- Research project completed July 2002.
- if appropriate Consultative Document to be published spring 2003.

The research project report was presented to HSE in September 2002 and published in January 2003. A cross-divisional project team, led by BWED intends to publish a Discussion Document in July 2003 and, if necessary, a Consultative Document with proposals for change in summer 2004.

Gas Safety (Management) Regulations 1996.

- Consultation on amending regulations.

Milestones set

- Consultation exercise completed by autumn 2002.

Due to further competition initiatives in the gas market consultation on proposed amendments have been delayed. A draft CD is being prepared with a view to consultation towards the end of 2003.

Gas Safety (Installations and Use) Regulations 1998.	<ul style="list-style-type: none"> ● Consultation on amending regulations and ACOP. <p>Milestones set</p> <ul style="list-style-type: none"> ● Consultation document expected spring 2002. ● Regulations to be submitted autumn 2002 To be confirmed. 	Due to further competition initiatives in the Gas Market consultation on proposed Amendments has been delayed. CD expected early 2004.
Health and Safety (Fees) Regulations 2002.	<ul style="list-style-type: none"> ● Annual revision of fees to take account of inflation. <p>Milestones set</p> <p>Regulations came into force on 2 April 2002.</p>	Health and Safety (Fees) Regulations 2002 came into force on 2 April 2002.
Health and Safety (Miscellaneous Modifications) Regulations 2001.	<ul style="list-style-type: none"> ● Clarify UK's implementation of the Workplace, Work Equipment, Personal Protective Equipment, Display Screen Equipment and Manual Handling Directives through amendments affecting relevant legislation. <p>Milestones set</p> <ul style="list-style-type: none"> ● Consultation period ends on 14 March 2002. 	Consultation period ended on 1 February 2002. The regulations were introduced on time during the autumn of 2002 coming into effect on 17 September. The SI number is 2002/2174.
Ionising Radiations Amendment Regulations.	<ul style="list-style-type: none"> ● Amend the Ionising Radiations Regulations 1999. <p>Milestones set</p> <ul style="list-style-type: none"> ● Consultative Document to be published early 2003. 	Now expected to be published by the end of the year. Proposals are still being developed with external stakeholders.
Manufacture and Storage of Explosives Regulations.	<ul style="list-style-type: none"> ● Revise legal requirements in new regulations. <p>Milestones set</p> <ul style="list-style-type: none"> ● Consultative Document to be published 2002. ● New regulations expected 2003. 	CD published March 2002.
		New regulations expected to be laid autumn 2003 to come into force early 2004.

Passive Smoking.	<ul style="list-style-type: none"> ● Further consultation is underway with hospitality industry and small firms. <p>Milestones set</p> <ul style="list-style-type: none"> ● No milestones agreed at present. 	<p>Government is currently looking at possible options to reduce the exposure of people to tobacco smoke at work and will announce conclusions in due course.</p> <p>Employers already have a duty under HSWA to protect the health of employees, including risks arising from passive smoking.</p>
Pipelines Safety (Amendment) Regulations.	<ul style="list-style-type: none"> ● Amend the Pipelines Safety Regulations 1996. <p>Milestones set</p> <ul style="list-style-type: none"> ● CD Published June 2002. ● Amending regulations to be laid end 2002. 	<p>Draft regulations with Minister, guidance to be published mid 2003.</p>
Railway Safety Regulations.	<ul style="list-style-type: none"> ● Development work following public inquiry report on several sets of regulations covering safety cases, train protection approvals, licensing and accreditation. <p>Milestones set</p> <ul style="list-style-type: none"> ● Current work will identify future outputs. 	<p>In discussion with stakeholders, a review of the Railways (Safety Case) Regulations, the Railways and Other Transport Systems (Approval of Works Plant and Equipment) Regulations and the Railways (Safety Critical Works) Regulations is underway. A Discussion Document is planned for autumn 2003. The discussion document will also explain Lord Cullen's recommendations for the development of a licensing system for drivers and signallers and an accreditation system for suppliers of safety critical products and services. Publication of a CD will follow in June/July 2004.</p>
Respirable Dust in Coal Mines.	<ul style="list-style-type: none"> ● New regulations and ACOP. <p>Milestones set</p> <ul style="list-style-type: none"> ● CD expected autumn 2002. ● Regulations to be submitted 2003. ● ACOP published 2003. 	<p>Difficulties encountered in finding a suitable personal dust sampler, this has delayed publication of the CD. Publication of CD now expected January 2004.</p>

Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (RIDDOR).	<ul style="list-style-type: none"> ● Fundamental review of legislation aimed at simplification and greater effectiveness. <p>Milestones set</p> <ul style="list-style-type: none"> ● Commission research and issue DD in 2002/03. ● Consider responses and issue CD 2003/04. 	Work on the review has been delayed but preparatory work is now underway. Publication of a DD now expected in 2004 and a CD in 2005
Safety Representative and Safety Committees Regulations 1977 Health and Safety (Consultation with Employees) Regulations 1996.	<ul style="list-style-type: none"> ● Draft CD and supporting guidance. ● Consult stakeholders on emerging proposals. ● put forward proposals to HSC. <p>Milestones set</p> <ul style="list-style-type: none"> ● Publication of CD expected summer 2002. 	Proposals were considered at HSC's meeting in July 2003; further work is required before consultation which is now expected in early 2004.
Shipbuilding/Ship Repair Regulations.	<ul style="list-style-type: none"> ● Revoke requirements superseded by CAD/ATEX and WAH Directives. <p>Milestones set</p> <ul style="list-style-type: none"> ● DSEAR CD published 2002/3. 	DSEAR are now in force, most of the remaining regulations are due to be revoked by WAH (summer 2003). SPDA is discussing with the Shipbuilding NIG whether the remaining ones may be revoked, ie they are no longer needed due to changes in working practices.
Substances that cause occupational asthma.	<ul style="list-style-type: none"> ● Consultative Document issued 2000/2001. Asthma ACOP to be published with COSHH 2002. <p>Milestones set</p> <ul style="list-style-type: none"> ● ACOP to be published summer 2002. ● Asthma Action Plan to be published summer 2002. 	ACoP published in December 2002 as Appendix 3 to main ACoP under COSHH 2002. Plan of actions published in February 2003 on HSE's asthma web pages at www.hse.gov.uk/asthma under Programme of Work.
Management of Health and Safety at Work and Fire Precautions (Workplace) (amendment) Regulations 2003.	<ul style="list-style-type: none"> ● Undertake consultation. ● Commission considers results of consultation. ● Regulations to Minister. <p>Milestones set</p> <ul style="list-style-type: none"> ● Regulations made in December 2002. 	Consultation completed Summer 2003, Commission considered results October 2002. Regulatory proposals to Minister February 2003, regulations scheduled to come into force October 2003.

Workplace (Health, Safety and Welfare) Regulations 1992.

- Issue amended regulations.

Milestones set

- Amending regulations
Submitted Dec 2002 or Jan 2003.

The second five year Implementation Report to the EU is out for consultation which closes on 30 May 2003. Report will be ready to meet the deadline of 31 July 2003. The Workplace Review has been delayed, the CD is now expected August 2004.

ANNEX 4 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 substances
Genetic modification
Ionising radiations***
Occupational health
Nuclear safety
Toxic substances
Biocides Consultative Committee

Other Committees

Health and Safety
Executive and local
authorities Enforcement
Liaison Committee
(HELA)

**The Adventure Activities Advisory Committee did not meet the criteria laid down for HSC Advisory Committees status and a decision was made in April 2003 not to reconstitute it. Former members are currently considering options for setting up an Adventure Activities Industry Liaison Committee.*

***The Ceramics Industry Advisory Committee has de-coupled from the HSC's Advisory Committee arrangements. Its successor – a voluntary, tripartite body 'CHARGE' (Ceramics, Heavy clay, Refractories, and Glass industries joint health and safety Advisory Committee) has been established to take forward the RHS agenda in member industries.*

****The Ionising Radiations Advisory Committee's second term expired at the end of June 2002, with no major items of work outstanding. Reconstitution was not appropriate, in the light of the HSC's review of its own ways of working and the lack of a substantial work programme over the next few years. HSE is setting up the Ionising Radiations Health and Safety Forum to replace IRAC and to maintain a dialogue with stakeholders.*

*****The Foundries Industry Advisory Committee decoupled from the HSC's Advisory Committee arrangements on 17 April 2003 and now operates as an independent tripartite committee of which HSE is a member.*

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 the Health and Safety Executive and Local Authorities Enforcement Liaison Committee (HELA), which seeks to ensure consistency of approach among local authorities and HSE.

Like HSE, the Commission's Advisory Committees are responding to the changing world and are becoming more involved in delivering the outcomes in its Strategic Plan. The Commission wants its Advisory Committees to engage and influence people, not just duty holders, who can make a difference to H&S performance across the whole of the economy.

In 2002/03 work of the Advisory Committees was, as usual, wide-ranging. 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/aboutus/hsc/iacs/index.htm>

Part 2
Health and Safety Commission Accounts
and
Health and Safety Executive Accounts
2002/03

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 (EMAS). 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 1.83 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. The financial statements include the figures for the Health and Safety Laboratory.

2 Results and appropriations

Net operating cost and resource outturn for HSC was £643 266. The net operating cost for HSE was £201 632 556 and the net resource outturn was £203 627 419. Income earned to the value of £1 994 864 is required to be paid to the Department for Work and Pensions (DWP, Request for Resources 2) and is included in Schedule 4.

3 Review of activities

Sections 1 and 2 of the Annual Report review the delivery of plans published in the HSC business plan 2002/2003.

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 1) but were 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 24 in the Annual Report.

6 Future development

The Commission's and Executive's continuing aims and strategic themes for 2002/03 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 CBE, Abdul Chowdry, Judith Donovan CBE, Joyce Edmond-Smith, Judith Hackitt, John Longworth, Maureen Rooney OBE, and Owen Tudor.

8 Health and Safety Executive members

Director General: Timothy Walker CB.

Other members: Kate Timms CB and Justin McCracken.

9 Corporate governance

The Health and Safety Commission and the Health and Safety Executive 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 public appointment 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 Deputies who are all the equivalent of executive directors (see page xii of the Annual Report). All three members of the Executive are appointed by the Health and Safety Commission under Civil Service rules administered by the Civil Service Commissioners and with the approval of the Secretary of State. 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. The HSC and HSE Boards meet 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. 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. Main achievements during 2002/2003 are shown in paragraph 1.60 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 efforts are being made to improve methods and channels of communication. 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 1.75 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 2002/03 was 98.9% (2001/02 98.9%) 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 which are consistent with those recommended by us to others, so as to ensure the health and safety of its staff, as well as others who may work at, or visit our premises. Further details are shown in paragraphs 1.77 to 1.83 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 1.70 of the Annual Report.

15 Introduction of the Euro

On 1 January 2002, 12 euro countries completed their transition to the euro by introducing euro cash. This has had no significant effect on HSE.

While the UK stays outside EMU, the euro is a foreign currency and HSE processes 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

The leases for the majority 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. A Preferred Bidder has been appointed and negotiations are taking place to seek to finalise a contract.

17 Future developments

The Sheffield Laboratories of HSL will relocate to Buxton in the Autumn of 2004. A new building, which will also house most of the existing Buxton staff, is currently being built by a consortium, Investors in the Community (Buxton) Ltd., under the Government's Private Finance Initiative. Further details, plus photographs of the construction, can be found on HSL's website at www.hsl.gov.uk

18 Pension liabilities

Details of pension costs etc. are contained in HSC's Notes to the Accounts, (statement of accounting policies, note 1(c) and also Note 3) and HSE's statement of accounting policies, (note 1k and also note 2).

19 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 CB

Director General

Health and Safety Executive

Accounting Officer

1 September 2003

Bill Callaghan

Chairman

Health and Safety Commission

Accounting Officer

1 September 2003

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. 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 net resource outturn, resources applied to objectives, recognised gains and losses, 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 for Work and Pensions 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 CB

Director General, Health and Safety Executive

Accounting Officer

1 September 2003

Bill Callaghan

Chairman, Health and Safety Commission

Accounting Officer

1 September 2003

STATEMENT ON INTERNAL CONTROL

As Accounting Officers (for the Health and Safety Commission (HSC), the Chair, 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 priorities 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 priorities, 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.

Strategy for securing health and safety in relation to work activities is set by HSC with input and support from HSE. Our strategy in essence covers both immediate workplace risks and the control of major hazards. For the former, our long-term strategy is rooted in 'Securing Health Together' and 'Revitalising Health and Safety' both of which were published in 2000. On major hazards our strategy reflects the regulatory regimes for those hazards, and the aim of avoiding serious failures. 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. HSE has recognised the need to improve its strategic focus and to that end has established a Strategy and Intelligence Division with the specific aim of improving its strategic foresight and capacity to deliver outcome-based strategies.

The approach being taken to business risk management described here is taking place against a process of change in HSE (of which the establishment of a Strategy and Intelligence Division mentioned above is one aspect) designed to make HSE a more modern, responsive and flexible organisation better equipped to deliver its strategic agenda. It is also in keeping with the government-wide two year Risk Handling Improvement Programme.

The HSE Board meets formally once a month and 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. Six generic risks have been identified and owners of these agreed:

- strategic failure
- organisational capacity failure
- stakeholder management failure
- delivery and quality failure
- financial failure
- human resource management failure

Twenty-four more specific risks have been identified below this generic level. A detailed evaluation by risk owners to analyse the effectiveness of the control measures in place has been carried out; this included whether further controls were needed. In some instances the need for further controls has been identified and the

necessary action is now in hand. Further consideration of the twenty-four risks is taking place to test their continuing relevance.

The systems of internal control operate through HSE's existing management structure. All major projects (eg for new regulations) are guided by the principles and criteria set out in 'Reducing Risks, Protecting People' (HSE's risk-based decision making framework) and are subject to approval by the relevant HSE Board member and agreement by HSC and Ministers; major projects with cross HSE implications will be considered by the Board collectively. There is also an annual planning process designed to plan and agree allocation of resources in the light of the strategic aims of HSC/E.

Corporate policies cover a wide range of issues including the health and safety of HSE's own staff and contractors, 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 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 has an Internal Audit unit, which has direct access to the Accounting Officer and operates to the Government Internal Audit Standards. HSL has an internal audit function supplied by a private sector auditor which also works to 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 HSE's Internal Audit Unit and will be subject to regular review by it. The Internal Audit work programmes will continue to focus 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 and that the organisation will be better able to demonstrate this when its arrangements for business risk management are fully embedded.

HSC/E's control environment was subject to a review in 2002 by a major firm of consultants. They concluded that it had been strengthened since their earlier review in 1997, when they had found the organisation to have a strong control framework and positive culture. The report said that HSE recognised the benefits of the inclusion of non-executive directors in management boards of government bodies; but in HSE's case there were legal problems with doing so. However, two non executive members have been appointed to the audit committee; it is intended that one of these will chair it in due course.

In addition to keeping the Risk Register under review, risk owners will re-assess the risks in the Risk Register to identify those crucial to the delivery of HSE's emerging strategy. The Board will discuss the risks to delivery of the strategy when the latter is further developed. The discussion is planned for Autumn 2003. Further stages intended to strengthen our management of the risks faced by HSC/HSE are:

Action	Timescale
Board agreement to a more developed statement fully codifying the approach to business risk management.	Autumn 2003
Board agreement to HSE's revised business risk register.	Autumn 2003
Integration of risk reporting with balanced scorecard performance review.	End 2003
Development and delivery of awareness raising / training so that managers at all levels are aware of role in identifying and managing risks across HSE.	March 2004

The HSE Board is committed to

- further development of its internal control structure as its change programme described above takes effect; and
- 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 CB

Director General

Health and Safety Executive

Accounting Officer

1 September 2003

Bill Callaghan

Chairman

Health and Safety Commission

Accounting Officer

1 September 2003

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 153 to 159 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 155.

Respective responsibilities of the Commission, Chairman, and Auditor

As described on page 147, the Chairman of the Health and Safety Commission is responsible for the preparation of the financial statements in accordance with 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 established by statute and 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 148 to 150 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 net operating cost of the Health and Safety Commission for the year ended 31 March 2003 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
26 September 2003

SCHEDULE I

HEALTH AND SAFETY COMMISSION: SUMMARY OF RESOURCE OUTTURN 2002/03

	Estimate NET EXPENDITURE	Outturn NET EXPENDITURE	Net total outturn compared with Estimate saving/(excess)	Prior-year outturn 2001/02
	1 £'000	2 £'000	3 £'000	4 £'000
Request for Resources				
- Health & Safety Commission	643	643	-	605
Request for Resources				
- Health & Safety Executive	213 936	203 628	10 308	202 699
Net resources outturn	<u>214 579</u>	<u>204 271</u>	<u>10 308</u>	<u>203 304</u>

Request for Resources is received on a combined basis for HSC and HSE. Any variance is allocated to HSE and is explained in their account (refer pages 162 to 188).

Actual outturn – resources

Request for Resources 2: (Health and Safety Commission and Executive): Actual amount net resource outturn £204 270 685.57. Actual amount of savings in resources over Estimate £10 308 314.43. (HSE only figures are detailed in their account). Net operating cost compared with Estimate is made up as follows :

	Estimate £'000	Outturn £'000	Estimate minus outturn saving/(excess) £'000
DEL:			
Administration	220 448	216 515	3 933
Programme	55 300	53 678	1 622
Appropriations in aid (A in A)	(76 375)	(78 370)	1 995
AME (non cash items)*	15 206	10 453	4 753
Total net operating cost	<u>214 579</u>	<u>202 276</u>	<u>12 303</u>
A in A surrendered to DWP		1 995	(1 995)
HSC / HSE net resource outturn	<u>214 579</u>	<u>204 271</u>	<u>10 308</u>
Less HSC	(643)	(643)	-
HSE net resource outturn	<u>213 936</u>	<u>203 628</u>	<u>10 308</u>

*AME (non cash items) – outside resource expenditure

The notes on pages 155 to 159 form part of these accounts.

SCHEDULE 2

HEALTH AND SAFETY COMMISSION: OPERATING COST STATEMENT FOR THE YEAR ENDED 31 MARCH 2003

	Notes	2002/03 £'000	2001/02 £'000
Administration costs			
Staff costs	3	387	387
Other administration costs	4	256	218
Gross administration costs		643	605
Operating income		-	-
Net operating costs		643	605
Net resource outturn	Schedule 1	643	605

All income and expenditure are derived from continuing operations.

There are no material balances as at 31 March 2003 and a Balance Sheet has, therefore, not been prepared.

The notes on pages 155 to 159 form part of these accounts.

Bill Callaghan

Chairman

Health and Safety Commission

Accounting Officer

1 September 2003

HEALTH AND SAFETY COMMISSION ANNUAL REPORT AND ACCOUNTS 2002/03 NOTES TO THE ACCOUNTS

1 Statement of accounting policies

The financial statements have been prepared in accordance with the 2002/03 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, Statement of Responsibilities and Statement on Internal Control and separate Summary of Resource Outturn (Schedule 1) and Operating Cost Statements (Schedule 2). The HSC has not produced a Balance Sheet as any assets and liabilities of the HSC are included in the HSE Balance Sheet (Schedule 3) and are not material in value (see Note 2 Request for Resources). HSC has no bank account and all direct and indirect expenditure is paid for by HSE, so the production of a Cash Flow Statement (Schedule 4) is deemed inappropriate. As HSE is responsible for delivering the aims and objectives (Schedule 5), this schedule is not produced for HSC.

(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 the Health and Safety Executive 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. A notional pension cost is added to the chairman's emoluments. The appointment of Commission members is non-pensionable.

The employees of the Health and Safety Commission, 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. For details of the schemes please refer to HSE accounts, accounting policy note 1(k).

2 Request for Resources

Pursuant to Section 43 of the Health and Safety at Work etc. Act 1974, the Commission is financed by Request for Resources from the Department for Work and Pensions (Request for Resources 2).

The total Request for Resources received by the Health and Safety Commission from the Department for Transport, Local Government and the Regions and Department for Work and Pensions for the financial year

2002/03 was £193 713 000 and after deducting £386 695 for staff costs and £256 571 for other operating charges, the sum of £193 069 734 was allocated to the Health and Safety Executive. These transactions pass through Reserves in the Balance Sheet but produce a nil value in HSC.

	£'000
Opening general fund 1/4/02	NIL
Net parliamentary cash funding	193 713
Net operating cost	643
Cash transfer to HSE (Refer HSE Schedule 4)	193 070
Closing general fund 31/3/03	NIL

3 Expenditure of the Health and Safety Commission

Staff Number and Costs:

(a) Staff costs of the Health and Safety Commission:	2002/03 £'000	2001/02 £'000
Wages and salaries	312	283
Social security costs	24	23
Other pension costs	27	56
Pension paid to former Chairmen	23	25
Staff on secondment or loan, and agency / temporary staff	1	0
	<u>387</u>	<u>387</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	2002/03 No	2001/02 No
Non-specialist staff	6	6

Note:

For further details on pension arrangements for support staff please refer to HSE accounts (accounting policy note 1(k) and Note 2).

(c) Emoluments of the Chairman

	Age	Salary	Other taxable benefits (to nearest £100)	2002/03	Total accrued pension at 60 at 31.3.03
				Increase in pension at 60	
				£'000	
Bill Callaghan	54	95 - 100	0	0 - 2.5	0 - 5

	Age	Salary	Other taxable benefits (to nearest £100)	2001/02	Total accrued pension at 60 at 31.03.02
				Increase in pension at 60	
				£'000	
Bill Callaghan	53	90-95	0	0-2.5	0-5

Notes:

Salary 'Salary' includes gross salary, performance pay or bonuses; overtime; reserved rights to London weighting or London allowances; recruitment or retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation.

Pensions No Commission members, other than the Chairman, have pensions (see note 1(c)).
There are no outstanding contributions payable to the Civil Service Superannuation Vote at 31 March 2003.

(d) Emoluments of the Commission members:

		2002/03			2001/02	
	Age	Salary	Fees	Other taxable benefits (to nearest £100)	Total	Total
		£	£	£	£	£
George Brumwell	63	1 443	1 820	-	3 263	4 138
Margaret Burns CBE	46	1 443	6 499	6 900	14 842	12 964
Abdul Chowdry	59	1 443	5 136	4 100	10 679	10 934
Judith Donovan CBE	51	1 443	5 100	3 000	9 543	8 466
Joyce Edmond-Smith	64	1 443	5 997	400	7 840	9 378
Judith Hackitt (1)	48	1 443	1 816	-	3 259	-
John Longworth (1)	44	1 443	1 445	100	2 988	-
Maureen Rooney CBE (2)	55	1 443	1 204	-	2 647	4 058
Owen Tudor	41	1 443	4 537	-	5 980	7 375
Sonny Hamid (3)		-	-	-	-	7 941
Rex Symons CBE (3)		-	-	-	-	6 184
		<u>12 987</u>	<u>33 554</u>	<u>14 500</u>	<u>61 041</u>	<u>71 438</u>

Notes:

- (1) Appointment commenced 1.4.02
 (2) Died May 2003
 (3) Appointment ended 31.3.02

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the Inland Revenue as a taxable emolument. 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

	2002/03	2001/02
	£'000	£'000
General administrative expenses	130	89
Travel, subsistence and hospitality for:		
Chairman, Commission members and support staff (see note below)	65	71
Rent, rates, maintenance and other premises costs	61	58
	<u>256</u>	<u>218</u>

Note:

Travel, subsistence and hospitality expenses for the Chairman and Commission members was £61 030 (2001/02 £64 779), whilst the total for the support staff was £3 888 (2001/02 £6 441).

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 Work and Pensions (DWP).

DWP is regarded as a related party. During the year, HSC did not have any material transactions with DWP or other entities for which DWP 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/HSE or received benefits from their suppliers during the year.

For 2001/02 our sponsor department was the Department for Transport, Local Government and the Regions (DTLR).

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 162 to 188 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 168 to 172.

Respective responsibilities of the Executive, Director General and Auditor

As described on page 147 the Director General of the Health and Safety Executive 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 the Health and Safety Commission are jointly responsible for the preparation of the other contents of the Annual Report. My responsibilities, as independent auditor, are established by statute and 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 148 to 150 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 2003 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
26 September 2003

SCHEDULE I

HEALTH AND SAFETY EXECUTIVE: SUMMARY OF NET RESOURCE OUTTURN 2002/03

	Estimate	Outturn	Net total outturn compared with Estimate saving/(excess)	Prior- year outturn
	NET EXPENDITURE	NET EXPENDITURE		
	1	2	3	4
	£'000	£'000	£'000	£'000
Net operating cost	213 936	201 633		202 696
Net resources outturn	213 936	203 628	10 308	202 699
See note below				

Note:

Analysis of income payable to the Department for Work and Pensions

As a Non-Departmental Public Body, the Health and Safety Executive retains income generated in order to fund its activities. By agreement with DWP, excess income over Estimate is paid over to the Department. Amounts payable in 2002/03 were £2 287 238.42 of which £2 285 878.83 (see also Schedule 4) was outstanding at 31 March 2003. Amounts paid in 2002/03 were £2 002.95 of which £643.36 related to 2001/02 and £1 359.59 related to 2002/03.

Actual outturn - resources

Request for Resources 2. Actual amount net resource outturn £203 627 419.28. Actual amount of savings in resources over Estimate £10 308 580.72. Net operating cost compared with Estimate is made up as follows:

	Estimate	Outturn	Estimate minus outturn saving/(excess)
	£'000	£'000	£'000
DEL:			
Administration	220 448	216 515	3 933
Programme	55 300	53 678	1 622
Appropriations in aid (A in A)	(76 375)	(78 370)	1 995
AME (non cash items)*	15 206	10 453	4 753
Total net operating cost	214 579	202 276	12 303
A in A surrendered to DWP		1 995	(1 995)
HSC / HSE net resource outturn	214 579	204 271	10 308
Less HSC	(643)	(643)	-
HSE net resource outturn	213 936	203 628	10 308

* AME (non cash items) – outside resource expenditure

The notes on Pages 168 to 188 form part of these accounts

SCHEDULE 2

HEALTH AND SAFETY EXECUTIVE: OPERATING COST STATEMENT FOR THE YEAR ENDED 31 MARCH 2003

		2002/03	2001/02
	Notes	£'000	£'000
Administration costs			
Staff costs	2	145 645	136 323
Other administration costs	3	80 679	87 531
Exceptional item: loss on sale of assets		-	3 189
Gross administration costs		226 324	227 043
Operating income	5	(46 477)	(44 908)
EU income		(523)	(651)
Net administration costs		179 324	181 484
Programme costs			
Expenditure	4	29 161	28 017
Less income	4 & 5	(6 852)	(6 805)
Net programme costs		22 309	21 212
Net operating cost	6 & 7	201 633	202 696
Net resource outturn	6 & 7	203 628	202 699

All income and expenditure is derived from continuing operations with the exception of EECS (see note 5).

Statement of Recognised Gains and Losses for the year ended 31 March 2003

	2002/03	2001/02
	£'000	£'000
Net Gain/(loss) on revaluation of tangible fixed assets (Refer note 16)	724	213
Recognised gains and losses for the financial year	724	213

The notes on pages 168 to 188 form part of these accounts.

SCHEDULE 3

HEALTH AND SAFETY EXECUTIVE: BALANCE SHEET AS AT 31 MARCH 2003

	Notes	31 March 2003		31 March 2002	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	9		27 847		26 137
Debtors: (Amounts falling due after more than one year)	12		1 261		1 395
Current assets					
Stocks	11	1 883		2 019	
Debtors	12	19 719		22 767	
Cash at bank and in hand	13	91		4 500	
		<u>21 693</u>		<u>29 286</u>	
Creditors (due within one year)	14	(9 859)		(7 212)	
Net current assets			<u>11 834</u>		<u>22 074</u>
Total assets less current liabilities			<u>40 942</u>		<u>49 606</u>
Creditors (amounts falling due after more than one year)	14		(10)		(25)
Provisions for liabilities and charges	15		(3 522)		(4 731)
			<u>37 410</u>		<u>44 850</u>
Taxpayers' equity					
General fund	20		34 183		41 774
Revaluation reserve	16		3 227		3 076
			<u>37 410</u>		<u>44 850</u>

The notes on pages 168 to 188 form part of these accounts.

Timothy Walker CB

Director General

Health and Safety Executive

Accounting Officer

1 September 2003

SCHEDULE 4

HEALTH AND SAFETY EXECUTIVE: CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2003

Cash Flow Statement

	Notes	2002/03 £'000	2001/02 £'000
Net cash outflow from operating activities		(191 161)	(192 836)
Capital expenditure and financial investment		(7 897)	(6 405)
Receipts due to the Consolidated Fund which are outside the scope of HSE's activities		4	
Payments of amounts due to the Consolidated Fund		(1)	(978)
Financing		193 070	202 895
(Decrease) / increase in cash in the period		(5 985)	2 676

Notes

Reconciliation of operating cost to operating cash flows

Net operating cost		201 633	202 696
Adjust for non-cash transactions		(10 827)	(17 603)
Adjust for movements in working capital other than cash	10	(2 077)	6 654
Adjust for movements on creditors over one year		15	17
Use of provisions	15	2 417	1 072
Net cash outflow from operating activities		191 161	192 836

Analysis of capital expenditure and financial investment

Purchase of fixed assets	8 & 9	8 489	7 682
Proceeds of disposal of fixed assets	8	(592)	(1 277)
Net cash outflow from investing activities		7 897	6 405

Analysis of financing and reconciliation to the net cash requirement

From DTLR		145 418	202 895
From DWP		47 652	
Decrease / (increase) in cash		5 985	(2 676)

Adjustment for payments and receipts not related to Supply

Amounts due to DWP			
- received in a prior year and paid over		(1)	(976)
- received and not paid over		4	1
- Excess non operating Appropriations in Aid re. disposal of fixed assets		288	0
- Excess Appropriations in Aid included in income		1 995	0
Net cash requirement		201 341	199 244

The amount of grant actually issued to support the net cash requirement = £193 070 000.00

Reconciliation of net cash outflow as per note 13 to decrease in cash as per Schedule 4 above.

	£'000
Net cash outflow (as per note 13)	(4 409)
Uncleared payments (included within creditors)	(1 576)
Decrease in cash in the period (as per Schedule 4)	<u>(5 985)</u>

The Notes on Pages 168 to 188 form part of these accounts.

SCHEDULE 5

HEALTH AND SAFETY EXECUTIVE: RESOURCES BY AIMS AND OBJECTIVES FOR THE YEAR ENDED 31 MARCH 2003

	2002/03			2001/02		
	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	39 929	(3 781)	36 148	37 126	(3 608)	33 518
Second aim:						
To secure compliance with the law in line with the principles of proportionality, consistency, transparency and targeting on a risk related basis	145 141	(34 533)	110 608	150 378	(32 375)	118 003
Third aim:						
To improve the knowledge and understanding of health and safety through the provision of appropriate (and timely) information and advice	36 260	(10 353)	25 907	42 061	(10 017)	32 044
Fourth aim:						
To promote risk assessment and technical knowledge as the basis for setting standards and guiding enforcement activities	25 392	(1 994)	23 398	14 855	(1 694)	13 161
Fifth aim:						
To operate statutory schemes, including regulatory services, through, for example, EMAS	8 763	(3 191)	5 572	10 640	(4 670)	5 970
Net operating costs	<u>255 485</u>	<u>(53 852)</u>	<u>201 633</u>	<u>255 060</u>	<u>(52 364)</u>	<u>202 696</u>

The Notes on pages 168 to 188 form part of these accounts.

HEALTH AND SAFETY EXECUTIVE:

NOTES TO THE ACCOUNTS

1 Statement of accounting policies

The financial statements have been prepared in accordance with the 2002/03 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.

The accounting policies contained in the RAM follow generally accepted accounting practice for companies (UK GAAP) to the extent that is meaningful and appropriate to the public sector.

(a) Accounts Direction

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, Statement of Responsibilities and Statement on Internal Control. 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.

(b) 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.

(c) Government grants

Pursuant to Section 43 of the Health and Safety at Work etc. Act 1974, the Commission has been financed by Request for Resources both from the Department for Transport, Local Government and the Regions and from Department for Work and Pensions due to a change in Department during the year.

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 Request for Resources is credited to the General Fund in the year in which it is received.

(d) 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 £2 000 are charged to expenditure in the year of purchase, except for computer equipment (refer Note 23) 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. Price index numbers for current cost accounting (MM17) published by the Office for National Statistics 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 accounting policy note 1) are included in the Balance Sheet. The freehold and leasehold properties at Sheffield and Buxton were independently valued during 2002/03 by Chesterton PLC, 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.

(e) 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.

Tangible fixed assets are depreciated at the following rates to write them down to estimated residual value on a straight line basis over their estimated useful lives.

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 & major scientific equipment		up to 10 years
IT equipment		up to 5 years
Printing/typesetting and telecommunications equipment		up to 7 years
Vehicles		up to 7 years
Motor vehicles leased to staff		up to 3 years

(f) 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.

(g) Stocks and work in progress

Stocks and work in progress are valued as follows:

- finished 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. The cost of free publications is written off in the year in which it is incurred.
- work in progress is valued at the lower of cost, including appropriate overheads, and net realisable value.

(h) 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.

(i) Research

Expenditure on research is written off in the year in which it is incurred.

(j) 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 per cent in real terms on all assets less liabilities, except for donated assets and cash balances with Office of HM Paymaster General, where the charge is nil.

(k) Pension costs

Past and present employees are covered by the provisions of the Civil Service Pension Schemes which are described at note 2. The defined benefits elements of the schemes are unfunded and are non-contributory except in respect of dependents benefits. HSE recognises the expected costs of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the Principal Civil Service Pension Schemes (PCSPS) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution element of the schemes, HSE recognises the contributions payable for the year.

(l) 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 lessor 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.

(m) 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 Executive.

(n) Private Finance Initiative (PFI) transactions

PFI transactions (refer Note 23) have been accounted for in accordance with Treasury Technical Note No. 1 (Revised), entitled 'How to Account for PFI transactions' as required by the Resource Accounting Manual. Where the balance of risk and rewards of ownership of the PFI asset 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.

Residual interests in off balance sheet PFI assets are included in debtors and are not depreciated until the asset is brought into use or reverts to the department respectively.

Where the balance of risks and rewards of ownership of the PFI asset 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.

(o) Provisions

HSE provides for legal or constructive obligations which are of uncertain timing or amount at the Balance Sheet date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the Treasury discount rate of 6% in real terms.

(p) Contingent liabilities

In addition to contingent liabilities disclosed in accordance with FRS 12, HSE discloses for parliamentary reporting and accountability purposes certain contingent liabilities where the likelihood of a transfer of economic benefit is remote. These comprise:

- Items over £100 000 (or lower, where required by specific statute) that do not arise in the normal course of business and which are reported to Parliament by departmental Minute prior to HSE entering into the arrangement.
- All items (whether or not they arise in the normal course of business) over £100 000 (or lower, where required by specific statute or where material in the context of resource accounts) which are required by the Resource Accounting Manual to be noted in the resource accounts.

Where the time value of money is material, contingent liabilities which are required to be disclosed under FRS 12 are stated at discounted amounts and the amount reported to Parliament separately noted. Contingent liabilities that are not required to be disclosed by FRS 12 are stated at the amounts reported to Parliament.

(q) Value Added Tax

Most of the activities of HSE are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input tax is recoverable, the amounts are stated net of VAT.

2. Staff costs of the Health and Safety Executive

(a) Staff costs consist of:	2002/03	2001/02
	£'000	£'000
Wages and salaries	115 381	109 241
Social security costs	8 385	8 515
Other pension costs	17 150	18 567
Staff on secondment or loan, and agency/temporary staff	4 729	
Total	<u>145 645</u>	<u>136 323</u>

Note 1:

Costs in respect of staff on secondment or loan, and agency/temporary staff were included in Other Administration Costs (Note 3) in 2001/02 accounts.

Note 2:

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 as at 31 March 1999. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk).

For 2002/03 employers contributions of £16 939 964 were payable to the PCSPS (2001/02 £16 237 564) at one of the four rates in the range 12 to 18.5 per cent of pensionable pay, based on salary bands. Rates will remain the same next year, subject to revalorisation of the salary bands. Employer contributions are to be reviewed every four years following a full scheme valuation by the Government Actuary. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees joining after 1 October 2002 could opt to join a partnership pension account, a stakeholder pension with an employer contribution. For 2002/03 employers contributions of £5 630.68 were paid to two appointed stakeholder pension providers.

(b) The average number of employees during the year of the account (including staff on inward secondment or loan) was made up as follows:	2002/03	2001/02
	Number	Number
Inspectors	1 638	1 580
Other professional / specialist staff	1 471	1 397
Non specialist staff	1 113	1 205
	<u>4 222</u>	<u>4 182</u>

Note:

2001/02 numbers have been restated to include agency staff and staff on inward secondment.

(c) The average number of employees categorised by aims / objectives (refer Schedule 5) is as follows:

	2002/03
First aim	633
Second aim	2 619
Third aim	561
Fourth aim	235
Fifth aim	174
	<u>4 222</u>

(d) Emoluments of Director General

	Age	Salary	Benefits in kind (to nearest £100)	Real increase in pension at 60	Total accrued pension at 60 at 31/03/2003
		£'000	£	£'000	£'000
Timothy Walker CB					
2002/03	57	135-140	0	2.5-5	40-45
2001/02	56	120-125	0	5-7.5	35-40

Executive Members emoluments

	Age	Salary	Benefits in kind (to nearest £100)	Real increase in pension at 60	Total accrued pension at 60 at 31/03/2003
		£'000	£	£'000	£'000
Kate Timms CB	58	115-120	0	2.5-5	45-50
Justin McCracken (1)	47	110-115	0	0-2.5	0-5

Notes:

(1) Appointment commenced 1 April 2002

Details of HSL's senior management emoluments can be found in their own published accounts.

Executive Members emoluments:

		2001/02			
	Age	Salary	Benefits in kind (to nearest £100)	Real Increase in pension at 60	Total accrued pension at 60 at 31/03/2002
		£'000	£	£'000	£'000
Kate Timms CB (1)	57	70-75	0	5-7.5	45-50
David Eves (2)	60	90-95	0	2.5-5	50-55
Richard Hillier (3)	59	25-30	0	2.5-5	35-40

Notes:

(1) Appointed 2 July 2001

(2) Appointment ended 9 January 2002

(3) Executive appointment ended 1 July 2001

Notes:

Salary

'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.

None of the executive members receive Benefits in Kind.

The Director General is appointed for a fixed term of up to five years. The other 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.

Notes:

Pension

The Executive are all members of the Principal Civil Service Pension Scheme (PCSPS).

Pension Benefits are provided through the Civil Service pension arrangements. From 1 October 2002, civil servants may be in one of three statutory based 'final salary' defined benefit schemes (classic, premium and classic plus). New entrants after 1 October 2002 may choose between membership of premium or joining a good quality "money purchase" stakeholder based arrangement with a significant employer contribution (partnership pension account).

(a) Classic Scheme

Benefits accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years pension is payable on retirement. Members pay contributions of 1.5 per cent of pensionable earnings. On death, pensions are payable to the surviving spouse at the 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.

(b) Premium Scheme

Benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum, but members may commute some of their pension to provide a lump sum up to a maximum of 3/80ths of final pensionable earnings for each year of service or 2.25 times pension if greater (the commutation rate is £12 of lump sum for each £1 of pension given up). For the purposes of pension disclosure the tables assume maximum commutation. Members pay contributions of 3.5 per cent of pensionable earnings. On death, pensions are payable to the surviving spouse or eligible partner at the rate of 3/8ths the members pension (before any commutation). On death in service, the scheme pays a lump sum benefit of three times pensionable earnings and also provides a service enhancement on computing the spouses 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. Where the members ill health is such that it permanently prevents them undertaking any gainful employment, service is enhanced to what they would have accrued at age 60.

(c) Classic Plus Scheme

This is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly as classic.

Pensions payable under classic, premium and classic plus are increased in line with the Retail Prices Index.

(d) Partnership Pension Account

This is a stakeholder type arrangement where the employer pays a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product. The employee does not have to contribute but where they do make contributions, these will be matched by the employer to a limit of 3% (in addition to the employers basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of risk benefit cover (death in service and ill health retirement). The member may retire at any time between the ages of 50 and 75 and use the accumulated fund to purchase a pension. The member may choose to take up to 25% of the fund as a lump sum.

3 Other administration costs of the Health and Safety Executive

	2002/03	2001/02
	£'000	£'000
Rentals under operating leases:		
Hire of plant & machines	116	125
Other operating leases	7 868	8 986
PFI service charges:		
Off balance sheet contracts	16 951	9 293
Auditor's remuneration	82	84
Non-cash items:		
Depreciation and amortisation of fixed assets	6 480	6 879
Cost of capital charge	2 430	2 645
Loss on revaluation of fixed assets	327	2 238
Provisions: Provided in year	1 342	2 547
Other non-cash items	83	105
Other expenditure	44 869	54 629
	80 548	87 531
Loss on sale of fixed assets	131	3 189
	80 679	90 720

Note:

Travel, subsistence and hospitality expenses for the Executive Members was £39 101. (2001/02 – £34 281), whilst the total for all other staff was £11 415 430 (2001/02 - £11 360 586). There were no payments made to the NAO for non-audit work carried out in the year.

Other expenditure includes bad debts and losses as follows:

	2002/03	2001/02
	£'000	£'000
(a) Losses cases 92 (2001-2002: 170 cases)	26	29
(b) Special payments cases 51 (2001-2002: 33 cases)	4	155
(c) Bad debts written off	50	59
	80	243

4 Net programme costs

	2002/03	2001/02
	£000	£000
Research	17 763	16 008
Publicity, marketing and distribution	9 441	9 335
Other	1 957	2 674
Less programme income	(6 852)	(6 805)
	<u>22 309</u>	<u>21 212</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.

	Cost	Income	Surplus/ (Deficit)	Surplus/ (Deficit)
	£'000	£'000	2002/03 £'000	2001/02 £'000
(i) HSE fees and charges				
Licensing of nuclear installations	20 739	20 739	-	-
Safety related research in the nuclear industry	1 395	1 395	-	-
Genetically modified organisms	150	103	(47)	(42)
First-aid approvals	243	218	(25)	(58)
Electrical Equipment Certification Unit*	1413	501	(912)	(265)
Asbestos Licensing Unit	328	304	(24)	(105)
Approval of non-agricultural pesticides	1 435	1 374	(61)	-
Notification of new substances	350	323	(27)	4
Control of major accident hazards	3 465	3 547	82	(227)
Enforcement of railway safety legislation	7 053	6 491	(562)	(989)
Enforcement of offshore safety legislation	8 318	7 222	(1 096)	(1 027)
	<u>44 889</u>	<u>42 217</u>	<u>(2 672)</u>	<u>(2 709)</u>
Health and Safety Laboratory external customers	2 046	2 046	-	131
Health and Safety Laboratory EU income	396	396	-	-
Other fees & agency charges	-	284	-	-
Total fees & charges at 31 March 2003	<u>47 331</u>	<u>44 943</u>		
Total fees & charges at 31 March 2002	45 118	42 787		
(ii) HSE sales & other income				
Sale of publications	4 056	5 117	1 061	705
Other sales/income	-	3 665	-	-
EU Income	127	127	-	-
Total sales & other income at 31 March 2003	<u>4 183</u>	<u>8 909</u>		
Total sales & other income at 31 March 2002	4 652	9 577		

This analysis conforms to the HM Treasury's 'The Fees and Charges Guide' and is not intended to comply with SSAP25 Segmental Reporting.

** The Electrical Equipment Certification Unit ceased trading at the end of September 2002.*

Rents receivable included in other sales/income above, are as follows:

	2002/03	2001/02
	£'000	£'000
Rents from other Government Departments	137	159
Rents from external tenants	74	148
Total	<u>211</u>	<u>307</u>

6 Reconciliation of net operating cost to net resource outturn

	2002/03	2001/02
	£'000	£'000
Net operating cost	201 633	202 696
Income to be surrendered to DWP	1 995	3
Resource budget outturn	<u>203 628</u>	<u>202 699</u>
Net resource outturn	<u>203 628</u>	<u>202 699</u>

7 Analysis of net resource outturn by function and reconciliation to Operating Cost Statement

	2002/03				2001/02	
	Admin	Programme	Current grants	A-in-A	Net Total	Prior year outturn
	£'000	£'000	£'000	£'000	£'000	£'000
Request for Resources	226 324	29 161	-	(51 857)	203 628	202 699
Total					203 628	202 699
Resource outturn					203 628	202 699
Excess income (operating appropriations in aid) to be surrendered to DWP					(1 995)	(3)
Net operating cost					201 633	202 696

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.

Excess non operating appropriations in aid	2002/03	2001/02
	£'000	£'000
Disposal of fixed assets	288	0

8 Analysis of capital expenditure, financial investment and associated appropriations in aid

	2002/03			
	Capital expenditure	Loans, etc	A-in-A	Net Total
	£'000	£'000	£'000	£'000
Request for Resources	8 515		(592)	7 923
Total 2002/03				7 923
Total 2001/02	7 682		(1 277)	6 405

9 Tangible fixed assets

	Land & Buildings	Information Technology	Motor Vehicles	Plant and Machinery	Furniture & Fittings	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation at 1 April 2002	13 678	3 836	3 582	14 575	10 234	45 905
Additions in year	3 867	440	1 254	951	2 003	8 515
Revaluations in year	482	(254)	(18)	132	88	430
Disposals during year	(193)	(311)	(1 137)	(1 376)	(912)	(3 929)
Balance at 31 March 2003	<u>17 834</u>	<u>3 711</u>	<u>3 681</u>	<u>14 282</u>	<u>11 413</u>	<u>50 921</u>
Depreciation at 1 April 2002	2 607	2 576	1 255	8 690	4 640	19 768
Charge in year	2 355	728	588	1 591	1 218	6 480
Revaluations in year	(34)	(123)	(6)	151	44	32
Disposals during year	(194)	(283)	(620)	(1 216)	(893)	(3 206)
Accumulated Depreciation at 31 March 2003	<u>4 734</u>	<u>2 898</u>	<u>1 217</u>	<u>9 216</u>	<u>5 009</u>	<u>23 074</u>
Net book value at 31 March 2003	13 100	813	2 464	5 066	6 404	27 847
Net book value at 31 March 2002	11 071	1 260	2 327	5 885	5 594	26 137
Asset Financing						
Owned	12 444	813	2 464	5 019	6 404	27 144
Leased	656	0	0	47	0	703

Analysis of land and buildings between freehold, long and short leasehold

The net book value of land and buildings at 31 March 2003 comprises:

	2002/03	2001/02
	£'000	£'000
Freehold	5 633	5 688
Long leasehold	1 197	1 184
Short leasehold	6 270	4 199
	<u>13 100</u>	<u>11 071</u>

10 Movements in working capital other than cash

	2002/03	2001/02
	£'000	£'000
Decrease in stocks/work in progress	136	373
Decrease /(increase) in debtors	3 182	(5 532)
Increase/ (decrease) in creditors falling due within one year	<u>1 070</u>	<u>(2 470)</u>
Net decrease / (increase) in working capital other than cash	4 388	(7 629)
Less (increase)/ decrease/ in amounts payable to DWP (2001/02 DTLR)	(2 285)	975
Less (increase) in capital creditor	<u>(26)</u>	<u></u>
	<u>2 077</u>	<u>(6 654)</u>

11 Stocks and work in progress

	2002/03	2001/02
	£'000	£'000
Consumables	56	124
Work-in-progress	487	467
Finished stock for sale	<u>1 340</u>	<u>1 428</u>
	<u>1 883</u>	<u>2 019</u>

12 Debtors

	2002/03	2001/02
	£'000	£'000
Debts falling due within one year:		
Trade debtors	5 045	6 953
Imprest/advances	495	391
Prepayments	2 609	3 452
Taxation: VAT debtor	2 720	3 361
Other debtors	4	63
Accrued income	8 846	8 547
	<u>19 719</u>	<u>22 767</u>
Debts falling due after more than one year:		
IT refit	643	607
Imprests/advances	618	788
Total	<u>20 980</u>	<u>24 162</u>

The imprests/advances total of £1 108 988 (2001/02 - £1 179 067) includes £560 830 (2001/02 - £612 559) advances of salary for house purchase, £254 203 (2001/02 - £236 269) advances of salary for season ticket purchase, £171 382 (2001/02 - £192 846) imprests and £122 573 (2001/02 - £137 393) other advances.

There were 72 officers who had £2 500 or more outstanding at 31 March 2003 which totalled £500 458 (2001/02 - £564 187 - relating to 86 officers).

13 Cash at bank and in hand

	2002/03	2001/02
	£'000	£'000
Balance at 1 April	4 500	1824
Net cash outflow	<u>(4 409)</u>	<u>2 676</u>
Balance at 31 March	<u>91</u>	<u>4 500</u>
The following balances at 31 March are held at:		
Office of HM Paymaster General	0	4 283
Commercial banks and cash in hand	<u>91</u>	<u>217</u>
	<u>91</u>	<u>4 500</u>
The balance at 31 March comprises:		
Amounts issued from the Consolidated Fund for supply but not spent at year end	88	4 499
Consolidated Fund extra receipts received and due to be paid to DWP	<u>3</u>	<u>1</u>
	<u>91</u>	<u>4 500</u>

14 Creditors

	2002/03	2001/02
	£'000	£'000
Amounts falling due within one year:		
Trade creditors - non capital	640	1 223
Trade Creditors - capital	26	-
Other creditors	46	111
Accruals and deferred income	6 652	5 191
Payments on account	209	686
Receipts payable to DWP (2001/02 DTLR)	2 286	1
	<u>9 859</u>	<u>7 212</u>
Amounts falling due after more than one year:		
Finance leases	10	25
Total	<u>9 869</u>	<u>7 237</u>

15 Provisions for liabilities and charges

	Early retirement provision	Dilapidations	Other	Total
	£'000	£'000	£'000	£'000
Balance at 1 April 2002	4 081	230	420	4 731
Increase in provision	308	1 010	67	1 385
Provisions not required written back	(82)	(62)	(168)	(312)
Amounts utilised	(2 274)	(143)	-	(2 417)
Unwinding of discount	115	-	20	135
Balance at 31 March 2003	<u>2 148</u>	<u>1 035</u>	<u>339</u>	<u>3 522</u>

16 Reserves

Revaluation reserve	£'000
Balance at 1 April 2002	3 076
Arising on revaluation during the year (net)	724
Transfer to general fund of realised element of revaluation reserve	(573)
Balance at 31 March 2003	<u>3 227</u>

17 Capital commitments

	2002/03	2001/02
	£'000	£'000
Contracted commitments for which no provision has been made	344	804

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:

	2002/03		2001/02	
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Leases expiring within:				
One year	66	41	850	55
Two to five years	1 034	117	654	70
More than 5 years	6 924	0	5 384	0
	<u>8 024</u>	<u>158</u>	<u>6 888</u>	<u>125</u>

19 Finance leases

HSE's obligations under finance leases are as follows:

	2002/03		2001/02	
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Rentals due within one year	0	16	0	16
Rentals due within 2 to 5 years	0	10	0	25
Rentals due thereafter	0	0	0	0
	<u>0</u>	<u>26</u>	<u>0</u>	<u>41</u>

20 Reconciliation of net operating cost to changes in general fund

	2002/03	2001/02
	£'000	£'000
Net operating cost for the year (Schedule 2)	(201 633)	(202 696)
Net parliamentary funding	193 070	202 895
Excess appropriations in aid to be surrendered to DWP	(2 282)	-
Transferred to general fund in respect of realised element of revaluation reserve (Note 16)	573	471
Release from general fund (Chairman's pension)	168	(384)
Non-cash charges (DWP Services)	83	-
Cost of capital	2 430	2 645
Notional welfare costs	-	105
Net (decrease)/ increase in general fund	(7 591)	3 036
General fund at 1 April 2002	41 774	38 738
General fund at 31 March 2003 (Schedule 3)	<u>34 183</u>	<u>41 774</u>

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 Work and Pensions (DWP).

DWP is regarded as a related party. During the year, HSE had several transactions with DWP totalling £602 630 that mainly related to the provision of pension services and premises costs. HSC and HSE did not have material transactions with other entities for which the DWP is regarded as the parent Department.

For 2001/02 our sponsor department was the Department for Transport Local Government and the Regions (DTLR).

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 Central Office of Information (£514 314, 2001/02 - £761 000), Civil Service College (£314 346, 2001/02 - £230 000), Department of Health (£223 177, 2001/02 - £209 000), Treasury Solicitor (£235 616, 2001/02 - £267 000) and Department of Environment, Food and Rural Affairs expenditure of £538 977, and mainly relate to premises, research, training, computer, legal services and administrative expenditure. 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 & 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 (Logica 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.

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 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 3 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 Logica 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	12 691
Net present value of amounts falling due within two to five years	46 430
Net present value of amounts falling due within six to ten years	36 088

A discount rate of 6% has been used to derive the net present cost of the non discretionary payment streams in years two to ten.

24 Contingent liabilities

In October 2001, a claim from Thames Trains Ltd following the Ladbroke Grove railway disaster was filed against HSE and Her Majesty's Railway Inspectorate for an amount in excess of £5 million. The basis of the claim is that HSE was negligent in connection with the railway infrastructure at the location of the crash. This claim will be rigorously defended and whilst the outcome of these matters cannot readily be determined or foreseen, it is considered that it is likely that the claim will be defended successfully.

HSE is currently defending three equal pay cases from employees on two separate issues. Each case is at a different stage in what could be a long legal process. If we were to lose, the financial consequences would depend on the nature of the judgement in relation to the employees who brought the cases, and the degree to which the judgements would apply to other members of staff, including and the extent to which any awards made are backdated.

25 Financial instruments

FRS 13, Derivatives and Other Financial Instruments, requires 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 financial assets and liabilities 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.

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.

GLOSSARY OF ABBREVIATIONS

ABI	Association of British Insurers
ACAS	Advisory, Conciliation and Arbitration Service
ACOP	Approved Code Of Practice
ACS	Accredited Certification Scheme for Individual Gas Fitting Operatives
ADR	The European Agreement concerning the International Carriage of Dangerous Goods by Road
AIAC	Agriculture Industry Advisory Committee
AIB	Asbestos Insulation Board
ALARP	As Low As Reasonably Practicable
ARK	All Round Knowledge
ASLEF	Associated Society of Locomotive Engineers and Firemen
ATEX	Explosive Atmospheres Directive
ATP	Adaptation to Technical Progress
AWE	Atomic Weapons Establishment
BE	British Energy
BEU	Business Efficiency Unit
BI	Business Improvement
BIP	Business Improvement Plan
BP	British Petroleum
BREEAM	Building Research Establishment's Environmental Appraisal Method
BTP	British Transport Police
BWED	Better Working Environment Division
CA	Competent Authority
CAA	Civil Aviation Authority
CAD	Chemical Agents Directive
CAS	Client Advisory Service
CAW	Control of Asbestos at Work Regulations
CAWR	Control of Asbestos at Work Regulations
CBI	Confederation of British Industry
CCTV	Closed Circuit Television
CD	Consultative Document
CDM	Construction (Design and Management) Regulations
CEN	Comite European de Normalisation (European standards committee)
CENELEC	European Committee for Electrotechnical Standardization
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
CITB	Construction Industry Training Board
CLAW	Control of Lead at Work Regulations
CLG	Constructors Liaison Group

COER	Control of Explosives Regulations
COMAH	Control of Major Accident Hazards Regulations
CONIAC	Construction Industry Advisory Committee
COSHH	Control of Substances Hazardous to Health Regulations
CPA	Corrugated Packing Association
CRR	Contract Research Report
CSC	Care Standards Commission
CSCS	Civil Service Compensation Scheme
CSDN	Civil Service Disability Network
CSIW	Care Standards in Wales
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
DfES	Department for Education and Skills
DfT	Department for Transport
DG	Director General
DH	Department of Health
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
DSE	Display Screen Equipment
DSEAR	Dangerous Substances and Explosive Atmospheres Regulations
DTI	Department of Trade and Industry
DTLR	Department for Transport Local Government and the Regions
DWP	Department for Work and Pensions
EA	Environment Agency
EAU	Economic Advisors' Unit
EBRD	European Bank for Reconstruction and Development
EC	European Community
ECA	Electrical Contractors Association
EEC	European Economic Community
EECS	Electrical Equipment Certification Service
EHO	Environmental Health Officer
ELOs	Enforcement Liaison Officers

EMAS	Employment Medical Advisory Service
EM	Ethnic Minority
EMF	Electromagnetic Fields
EMM	Enforcement Management Model
EMS	Environmental Management System
EMU	European Monetary Union
EP	European Parliament
EPS	Enforcement Policy Statement
ERTMS	European Rail Traffic Management Systems
ESAU	Economic and Statistical Analysis Unit
ETM	Essential Training for Managers
EU	European Union
FOD	Field Operations Directorate
FOI	Freedom of Information
FPSO	Floating Production, Storage and Offtake Installations Operations
FSA	Food Standards Agency
GB	Great Britain
GHS	Globally Harmonised System
GP	General Practitioner
GSMR	Gas Safety (Management) Regulations 1996
H&S	Health and Safety
HAV	Hand Arm Vibration
HCA	Harassment Contact Adviser
HELA	Health and Safety Executive / Local Authorities Enforcement Liaison Committee
HIAG	Health in Agriculture Group
HID	Hazardous Installations Directorate
HIRERs	Hazard Identification Risk Evaluation Reports
HM	Her Majesty's
HMRI	Her Majesty's Railway Inspectorate
HPA	High Performance Award
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
HWI	Healthy Workplace Initiative
IAC	Industry Advisory Committee
IAEA	International Atomic Energy Agency
IALI	International Association of Labour Inspection
IC	Information Commissioner
ICC	Incident Contact Centre
ICI	Imperial Chemical Industries

ICVS	Interdepartmental Committee on Violence to Staff
IEC	International Electrotechnical Commission
IES	Integrated Enforcement Strategy
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 Company
IMO	International Maritime Organisation
IN	Improvement Notice
IoD	Institute of Directors
IOELV	Indicative Occupational Exposure Limit Value
IOM	Institute of Occupational Medicine
IOSH	Institution of Occupational Safety and Health
IRAC	Ionising Radiations Advisory Committee
IS	Information Systems
IS/IT	Information Systems/Information Technology
ISGMD	Internal Steering Group on Musculoskeletal Disorders (now MSD PP Management Group)
ISO	International Standards Organisation
IT	Information Technology
IUKE	Inside UK Enterprise
IWL	Improving Working Lives
KM	Knowledge Management
LA	Local Authority
LAC	Local Authority Circular
LAPS	Lead Authority Partnership Scheme
LAU	Local Authority Unit
LPG	Liquefied Petroleum Gas
MAC	Manual Handling Assessment Chart
MAFF	Ministry of Agriculture, Fisheries and Food
MCA	Maritime and Coastguard Agency
MEL	Maximum Exposure Limit
MH	Manual Handling
MoD	Ministry of Defence
MoU	Memorandum of Understanding
MSD	Musculoskeletal Disorder
MSHQ	Merseyside Headquarters
NAfW	National Assembly of Wales
NAO	National Audit Office
NAPAE0	National Association of Principal Agricultural Education Officers
NAPEO	National Association of Professional Employer Organisations
NCSC	National Care Standards Commission
NDA	Nuclear Decommissioning Authority

NFU	National Farmers Union
NHS	National Health Service
NHSE	National Health Service Estates
NIG	National Interest Group
NONs	Notification of New Substances Regulations
NR	Network Rail
NSD	Nuclear Safety Directorate
NVQ	National Vocational Qualification
OCNS	Office for Civil Nuclear Security
OECD	Organisation for Economic Co-operation and Development
OEL	Occupational Exposure Limits
OfGEM	Office for Gas and Electricity Markets
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
OMF	Operational Management Forum
ONS	Office for National Statistics
OPG	Operational Policy Group
OPM	Outputs and Performance Measures
ORR	Office of the Rail Regulator
OSD	Offshore Safety Division
OST	Office of Science and Technology
OT	Occupational Therapist
PACAR	Prevention of Accidents to Children in Agriculture Regulations
PAYPAR	Prevention of Accidents to Young Persons in Agriculture Regulations
PCA	Parliamentary Commissioner for Administration
PcSR	Pre-construction Safety Report
PD	Personnel Division
PDP	Personal Development Plan
PEFD	Planning Efficiency and Finance Division
PFI	Private Finance Initiative
PIC	Prior Informed Consent
PMF	Progressive Massive Fibrosis
PN	Prohibition Notice
PP	Priority Programme
PPE	Personal Protective Equipment
PPP	Public-Private Partnership
PSA	Public Service Agreement
PSES	Pedestrian Slipping Expert System
PSR	Pipelines Safety Regulations 1996

PTO	Power Take Off
QQR	Quinquennial Review
R2P2	Reducing Risks Protecting People
RAIB	Rail Accident Investigation Branch
REFIT	Business Consultancy & ICT Services Partner (Retendering for IT)
REPPIR	Radiation (Emergency Preparedness and Public Information) Regulations
RHS	Revitalising Health and Safety
RHSAT	Revitalising Health and Safety in Air Transport
RI	Railway Inspectorate
RIAC	Railway Industry Advisory Committee
RIBA	Royal Institute of British Architects
RICOs	Railway Inspectorate Contact Officer
RICS	Royal Institute of Chartered Surveyors
RID	The European Agreement concerning the International Carriage of Dangerous Goods by Rail
RIDDOR	Reporting of Injuries, Diseases and Dangerous Occurrences Regulations
RIMINI	Risk Minimisation (Network Rail's company standard)
RISB	Rail Industry Safety Body
RITC	Railways Industry Training Council
RoSPA	Royal Society for the Prevention of Accidents
ROTS	Railways and Other Transport Systems (Approval of Works, Plant and Equipment) Regulations
RPD	Resources and Planning Directorate
RPU	Risk Policy Unit
RRA	Race Relations Act
RRMPOL	Rolls Royce Marine Power Operations Ltd
RSC	Railway (Safety Case) Regulations
RSI	Repetitive Strain Injury
RSSB	Rail Safety and Standards Board
S&I	Science and Innovation
S&T	Science and Technology
S&T	Slips and Trips
SAC	Subject Advisory Committee
SAD	Safety Awareness Day
SASD	Strategy and Analytical Support Directorate
SBS	Small Business Scheme
SCS	Senior Civil Service
SE	Scottish Executive
SEPA	Scottish Environment Protection Agency
SFFS	Sustainable Food and Farming Strategy
SH2	Securing Health Together
SHA	Strategic Health Authority
SHAD	Safety and Health Awareness Day
SHCMOEI	Safety and Health Commission for the Mining and Other Extractive Industries
SHT	Securing Health Together
SI	Statutory Instrument

SID	Strategy and Intelligence Division
SIM	Sector Information Minute
SLA	Service Level Agreement
SLIC	Senior Labour Inspectors Committee
SME	Small and Medium Sized Enterprise
SPAD	Signal Passed at Danger
SPATS	Senior Professional Administrative Training Scheme
SR	Safety Report
SRA	Strategic Rail Authority
SRCC	Scottish Regulation of Care Commission
STF	Slips, Trips and Falls from Height
SWI	Self-Reported Work-related Illness Survey
TAIEX	Technical Assistance and Information Exchange
TD	Technology Division
TEC	Training and Enterprise Council
TEXIAC	Textiles Industry Advisory Committee
TGWU	Transport and General Workers Union
TOCs	Train Operating Companies
TPWS	Train Protection and Warning System
TU	Trade Union
TUC	Trades Union Congress
UCATT	Union of Construction, Allied Trades and Technicians
UK	United Kingdom
UKAEA	United Kingdom Atomic Energy Authority
UKAS	United Kingdom Accreditation Service
UKOOA	United Kingdom Offshore Operators Association
UN	United Nations
UV	Ultra Violet
UWED	Use of Work Equipment Directive
VFM	Value for Money
WAH	Temporary Work at Heights Directive
WCAR	Work in Compressed Air Regulations
WCO	Workplace Contact Officer
WDA	Welsh Development Area
WDC	Workforce Development Confederation
WENRA	Western European Nuclear Regulators Association
WHO	World Health Organisation
WRMSD	Work Related Musculoskeletal Disorders
WRULD	Work Related Upper Limb Disorder
WSA	Workers Safety Advisor
WWT	Working Well Together





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