



HSE Business Plan 2016/17

Foreword

Great Britain has a health and safety record we can be proud of and it means we are one of the safest countries in the world to work in.

That record has not happened by chance. We have led the way in risk-based regulation, underpinned by the fundamental principle of health and safety law – those who create risks are best placed to control them, and they should do so in a proportionate and practical way.

The focus is on outcomes that need to be achieved, not rules and paperwork – the Act and regulations are designed to enable activities to take place, not to stop them. HSE lies at the heart of this globally respected regulatory system.

Alongside benefits to workers and businesses, the positives for the country’s economy and international reputation are clear. Improved health and safety translates into reduced sickness absence, as well as lower healthcare and welfare costs. It helps improve productivity, keeps business costs down and keeps workers safe and well. It also supports growth and helps make Great Britain a more attractive place to do business.

But there is still room for improvement. We want to continue to lead the way and establish a 21st-century, world-class occupational health and safety system. That is why we have talked to stakeholders across the system to develop real ownership of the ‘Helping Great Britain work well’ strategy, so everyone involved can play their part.

HSE will continue to take its responsibility as the prime mover, working with co-regulators, colleagues across government and other stakeholders to deliver healthier, safer workplaces.

This plan outlines what HSE, in our role as the national regulator and catalyst in the system, will deliver in 2016/17. We are committed to:

- leading and engaging those who undertake or influence health and safety. Through guidance, raising awareness and leadership we will seek to change behaviour;

- ensuring the regulatory framework remains effective and that we are delivering the government’s regulatory reform agenda and Business Improvement Target;
- securing effective risk management and control through a variety of interventions with businesses. This includes permissioning and licensing activities, inspections, investigations of incidents and concerns raised by workers and others. It also means holding to account those who fail to meet their obligations to protect people from harm; and
- reducing the likelihood of low-frequency, high-impact catastrophic incidents and the potential for extensive harm to workers and the public.

In delivering this plan, we are committed to ensuring value for money for the taxpayer by reducing our reliance on government funding while continuing to improve our efficiency and effectiveness.

Our clear strategic intent is to continue to be a modern, independent and effective regulator. Looking ahead, the accelerating pace of change in society will continue to bring fresh challenges and opportunities.

Having demonstrated our ability to evolve ourselves, we are confident that we can rise to the challenges ahead, not only to continue to improve the health and safety system, but to adapt and embrace new ways of working and new opportunities. We look forward to sharing those with you.

Richard Judge

Chief Executive

Judith Hackitt

Chair

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Lead and engage with others to improve workplace health and safety

Background

HSE engages with all those who undertake, or influence, workplace occupational safety and health across GB (the 'system'). Through guidance, raising awareness and leadership we seek to achieve behaviour change that helps Great Britain work well. Our activities include:

- **collaboration** with representative bodies, trade unions, trade associations and other stakeholders and intermediaries as our partners in the health and safety system;
- specific **campaign activity** to achieve tangible improvements in awareness and action for key issues and themes; and
- provision of **guidance and support materials** which are accessible and tailored to the circumstances of the users.

HSE is committed to playing its part to deliver healthier, safer workplaces and to fulfil its responsibilities as the independent regulator and prime mover in the system.

The recently launched strategy, 'Helping Great Britain work well', highlights priority themes over coming years and these are reflected in our own actions. HSE will also be there to capture and promote successful approaches, and develop measures to track progress towards delivery of the themes. The leadership from HSE will give others in the system the confidence to take more ownership.

We further support dutyholders through the provision of occupational health and safety products, services and training on a commercial basis. Providing access to our know-how, specialist facilities and research, sold in the UK and internationally, provides a mechanism for dutyholders to deliver improved occupational health performance.

Our priorities for 2016/17

- Bring together our existing evidence on work-related ill health and publish our **ill-health strategy** to prioritise our future activities
- Review the **effectiveness of our communications** with SMEs¹ and identify subsequent actions needed
- Refresh and publish our **sector strategies**
- Develop a revised approach to creating and publishing **guidance**, ensuring it is proportionate, meets the needs of users and makes **best use of digital channels**
- Identify and actively **engage with significant initiatives** linking to the themes of 'Helping Great Britain work well' that are led by others

Our actions will include:

Our key deliverables/milestones will include:

Due

Developing and enhancing operational and sector strategies

Bring together existing evidence and research on work-related ill health, including consideration of the future world of work, to prioritise future activities by HSE	Present the evidence and emerging recommendations to the Board	Q3
	Publish HSE's ill-health strategy	Q3
	Publish suite of health and safety statistics	Q3
Undertake user insight research to baseline the effectiveness of our communications with SMEs	Present findings and implications from this insight research to the Board	Q3
Use this research to inform future actions that could promote greater use and appropriate implementation by SMEs to manage risk	Produce evidence-based intervention plan	Q4
Undertake a full review and refresh of HSE's sector strategies to align with 'Helping Great Britain work well' and to set priorities for the next three years	Publish updated sector strategies	Q3

Providing guidance

Develop a revised approach to creating, publishing and refreshing guidance, ensuring it is proportionate, meets the needs of users and makes best use of digital channels	Bring proposals to the Board for a new approach, with priorities for web content identified	Q3
Explore and establish principles, supported by clear guidelines, for our contribution to guidance produced by others (eg trade bodies)	Principles agreed by the Board	Q2

Working with strategic stakeholders and key partners

Establish mechanisms for tracking significant actions by others and the performance improvements linked to 'Helping Great Britain work well'	Bring recommended approach to the Board for agreement	Q3
Identify and actively engage with significant initiatives linking to 'Helping Great Britain work well' themes that are led by others (eg industry groups, other parts of government, trade unions)	Identify and agree at least three significant initiatives that we will actively engage with	Q1
Identify opportunities for HSE to work in partnership with others to develop the evidence base through shared research	Identify at least three new shared research opportunities to support 'Helping Great Britain work well'	Q1
	Sign up appropriate partners	Q3

¹ Small and medium-sized enterprises

Provide an effective regulatory framework

Background

Domestic regulation

In recent years, HSE has done extensive work to simplify and streamline legislation and improve guidance. We have removed or improved 84 per cent of legislation without lowering standards.

This work continues and we expect it to make a significant contribution to the government's deregulatory agenda and Business Improvement Target.

We will also keep contributing to the government's sectoral cross-cutting Red Tape Reviews as appropriate.

We continue to develop positive relationships with devolved administrations, taking into account their priorities and institutional arrangements.

European regulation

HSE negotiates and aims to secure the best possible outcome for the UK in the European Union, minimising burdens on business while maintaining necessary protections.

We represent the UK government's interests in a number of EU institutions including the following:

- Advisory Committee for Safety and Health at Work
- Governing Board of the European Agency for Safety and Health at Work
- European Chemicals Agency
- Senior Labour Inspectors Committee of the EU
- European Food Safety Authority

Our priorities for 2016/17

- Undertake **post-implementation reviews** of key areas of regulation
- Produce a set of options to support the **deregulatory agenda**, including a proposal on risk assessment and a review of the legislative requirements for plant and equipment inspection

Our actions will include:

Maintaining an effective framework

Evaluate the implementation of regulations by undertaking post-implementation reviews as required by regulations

Our key deliverables/milestones will include:

Complete reviews and identify any proposals for regulatory change:

- Asbestos Regulations Q4
- Biocides and Enforcement Regulations Q4

Supporting the deregulatory agenda, national and regional priorities

Review and simplify occupational health and safety regulations on chemicals,² to promote proportionate risk management and make it easier for dutyholders to understand and comply with their duties

- Agree research priorities and programme Q2
- Complete initial analysis of high-level options using evidence obtained and present to the Board Q4

Amend the Gas Safety (Installation and Use) Regulations 1998 to introduce flexibility in the timing of annual gas safety checks and support the innovation agenda

- Prepare options for the Board to consult on Q2

Replace the Dangerous Substances in Harbour Areas Regulations 1987

- Shorter, simpler regulations in place Q3

Take forward a proposal to place more emphasis on risk control and less on written assessment without reducing standards

- Publish draft guidance Q2
- Engage, user test and finalise the guidance Q4

Review the benefits and costs of legislative requirements for plant and equipment inspection and associated administrative arrangements. Report on the proportionality of current requirements and possible options for improvements

- Agree research priorities and programme Q3
- Conduct research and make recommendations to the Board Q4

Actively contribute to the development of national regulatory frameworks that interface with HSE's remit

- Sign MoU with Health Inspectorate Wales Q2
- Develop proposals for taking forward national priorities in Scotland Q1

Complete refresh of UK national action plan for sustainable use of pesticides

- Publish revised national action plan Q3

European regulations

Influence and negotiate changes arising from EU review of the health and safety acquis

- Analyse Commission staff working document (dependent upon EU papers) Q3
- Further develop and implement influencing strategy for emerging Commission proposals (dependent upon EU papers) Q3

Lead and negotiate on European Directives, transposing into UK law in line with government policy

- Implement Electromagnetic Fields Directive Q2
- Make recommendations to the Board on implementing the Basic Safety Standards Directive Q3

Influence and negotiate changes arising from EU reviews of key plant protection active substances and directly impacting EU Regulations

- Develop our evidence base and influencing strategy for any emerging Commission proposals Q3

² Specifically the Control of Substances Hazardous to Health Regulations 2002, the Control of Lead at Work Regulations 2002 and the Dangerous Substances and Explosive Atmospheres Regulations 2002

Secure effective management and control of risk

Background

HSE’s primary focus is on the health and safety of workers, but our regulatory interest extends to cover the impact on the general public, consumers and the environment.

We use a variety of interventions to assess and secure effective management and control from a wide range of common hazards. These include permissioning and licensing regimes (eg asbestos licensing, pesticides and biocides), inspections, and investigations.

There is high demand for HSE to process risk assessments of biocide and pesticide active substances and products, both to reduce their potential harm to people or the environment and to maximise their benefits, ie ensuring essential products remain on the market and can be used safely.

HSE carries out intelligence-led inspections, collaborating with other regulators as necessary, where information indicates serious safety and health risks are not well controlled and where inspection is the best way to secure improved standards. These are delivered in line with sector strategies, with an emphasis on high-risk sectors and activities where inspection has been shown to be an effective tool (eg construction).

We investigate major events, selected incidents, cases of ill health and concerns. We find out the causes, learn and share lessons with those who could benefit and ensure the right controls are in place to prevent recurrence.

Where businesses are not effectively managing risks to people’s safety or health we secure improvements. Through proportionate enforcement action we seek to prevent harm, secure sustained improvement in the management of health and safety risk, and hold to account those who fail to meet their obligations to protect people from harm.

This approach supports a level playing field for those who invest appropriately in managing risk and work well. It deters those businesses who fail to meet their obligations or deliberately break the law and place others at risk.

Our priorities for 2016/17

- Engage with **SMEs affected by REACH³** registration deadlines
- Commence work to digitally enable the provision of **asbestos licensing**
- Target **inspection activity on risk reduction**, including sustaining focus on health risks
- Sustain improvement in the timely completion of investigations
- Refresh, test and launch our **communications materials** relating to inspection and enforcement

³Registration, evaluation, authorisation and restriction of chemicals

Our actions will include:	Our key deliverables/milestones will include:	Due
Permissioning and licensing regimes		
Deliver the UK Competent Authority role in relation to the regulation of plant protection products, biocides and other chemicals (under REACH) and prepare industry (in particular SMEs) for implementation	Intervention plan to engage all SMEs affected by REACH registration deadline in 2018	Q4
Assess the success of the stewardship programme for outdoor second-generation anti-coagulant rodenticides, by leading a cross-government group	Conduct review	Q3
Review asbestos licensing processes as a first step in introducing a more digitally enabled service. Confirm the effectiveness of this licensing regime through inspection of licence holders	Review options for enhanced online service	Q3
	Inspect up to 1000 asbestos removal projects to evaluate licensee performance	Q4
Inspection and investigation		
Continue to enhance our use of intelligence and risk-based approaches to deliver a targeted programme of proactive inspections and face-to-face interventions that secure risk reductions	Deliver a programme of around 20 000 proactive inspections (with, and dependent upon, investigatory demand)	Q4
Sustain inspector focus on major health risks, specifically those linked to legionella, silica dust, carcinogens and asthmagens in woodworking, welding fumes, and musculo-skeletal disorders in food production	Actions are embedded within our proactive inspection programme	Q4
Refresh HSE communications material linked to inspection activity, to explain our approach to reducing risk through face-to-face interventions	Agree overall approach with the Board	Q2
	New material user-tested and published	Q4
Holding people and organisations to account		
Sustain focus on timeliness of investigations, including embedding the updated work-related death protocols with partner agencies and clearing the backlog of long-term fatal investigations (those over three years old)	90 per cent of non-fatal investigations completed within 12 months	Q4
	80 per cent of fatal investigations completed within 12 months of HSE assuming primacy	Q4
Refresh communication materials on HSE enforcement policies, with updates to how we manage complaints and (potentially) fee structures	Any changes to approach agreed with the Board	Q2
	New material user-tested and launched	Q4

Reduce the likelihood of low-frequency, high-impact catastrophic incidents

Background

Great Britain has many highly specialised industries which provide essential products and services and are strategically important to the country's economy and social infrastructure, but can potentially cause great harm to their workers, the environment and the public if not properly managed. A single incident could have catastrophic consequences and has the potential to undermine whole sectors by eroding the public's trust and acceptance of complex, high-hazard activities being undertaken, especially those near to communities.

Changes within these sectors continue and HSE as a regulator must respond effectively to ensure the potential for harm is minimised. In particular:

- more than half of UKCS⁴ **offshore installations** are now operating beyond their original design life. Investment in, for example, new fields and deeper waters will present challenges to the existing infrastructure and requirement for new technologies;
- the UK **coal industry** continues to decline, with the last large working coal mine recently ceasing production. Other extraction is growing, with oil and shale gas in particular having the potential for rapid expansion;
- the **chemicals sector** continues to change as some businesses move away from manufacturing high-volume/low-margin products to higher value-added specialised manufacturing and import models;
- the **explosives sector** is a relatively small but diverse sector. UK manufacture of explosive substances has largely been replaced by storage, assembly and processing of bought-in explosives, but there is increasing demand for bespoke products and high-value munitions; and
- the **bio-economy** is expected to grow, exemplified by the agenda to accelerate development not only in synthetic biology but also agri-science and regenerative medicine. We need to meet the challenge of keeping pace with such changes while applying a proportionate regulatory approach which allows growth and development and retains public reassurance.

Our priorities for 2016/17

- Focus on **leadership, worker involvement, competence and asset integrity** – key elements across all major hazard sectors
- Embed the new **Offshore Directive regime, SEVESO III Directive and COMAH⁵ 2015 Regulations** through the respective joint Competent Authorities, and complete the reassessment of safety cases and safety reports
- **Proactively engage with industry bodies and other regulators** across all of the major hazards sectors to ensure ongoing focus on safe production and improved major-hazard management, while keeping abreast of industry changes and responding accordingly

⁴ UK Continental Shelf

⁵ Control of Major Accident Hazards

Our actions will include:

Oil and gas sector

- Proactively engage with industry bodies and other regulators to ensure ongoing focus on safe production offshore and to coordinate activity within a challenging economic environment
- Sustain a focus on offshore asset integrity by working with Step Change in Safety Asset Integrity Steering Group and by publication of offshore inspection scores (within Offshore Statistics Report)
- Embed the new Offshore Directive regime, through the joint Competent Authority (CA) and complete reassessment of safety cases
- Deliver risk-based interventions at major hazards sites, ensuring the key elements of leadership, competence, worker involvement and asset integrity are at the heart of the work

Our key deliverables/milestones will include:

Due

- Routine regulatory meetings and taking forward arrangements agreed in MoU On-going
- Commence publication of offshore inspection scores covering effectiveness of asset management Q2
- Assessment of transitional safety cases received before the end of December 2016 in line with the agreed transitional programme Q4
- Deliver a programme of interventions focused on the key risks at all 52 highest category offshore sites, and 98 lower category sites Q4

Chemical processing, refining, bulk storage and distribution sector

- Embed the SEVESO III Directive and COMAH 2015 Regulations through the joint CA and complete reassessment of safety reports
- Deliver risk-based interventions at major hazards sites, ensuring the key elements of leadership, worker involvement, competence and asset integrity are at the heart of the work
- Engage at a senior level with the COMAH Strategic Forum (COMAH SF) to deliver improved major-hazard management across industry and to ensure efficient and effective delivery of the regulatory regime

- Assessment of COMAH 2015 compliant safety reports that have to be submitted to the CA by 31 May 2016 is completed within 12 months of receipt On-going
- Deliver a programme of interventions focused on the key risks at c500 high-hazard sites (including all c160 Category A COMAH sites) Q4
- Regular meetings of the COMAH SF and its working groups and taking forward agreed actions On-going
- With the COMAH SF, develop an updated strategy for the chemical processing, refining, bulk storage and distribution sector Q3

Other specialist sectors

- Undertake a fundamental review of HSE policies and systems for licensing the manufacture and storage of explosives, taking into account changes in the sector
- Work with stakeholders on governance arrangement for key developments in the biosciences

- Complete review and publish findings and recommendations Q4
- Establish a supportive business environment for synthetic biology, through the Synthetic Biology Leadership Council Governance Subgroup On-going

Emerging risks

- Build on the work of other government departments to assess the potential changes to the risk profile of the major hazards sector from an increased cyber threat

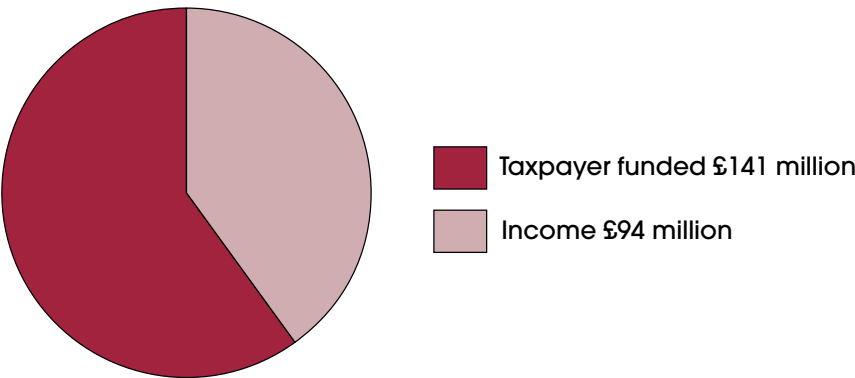
- Complete high-level review and publish summary report Q3

Financial outlook for 2016/17

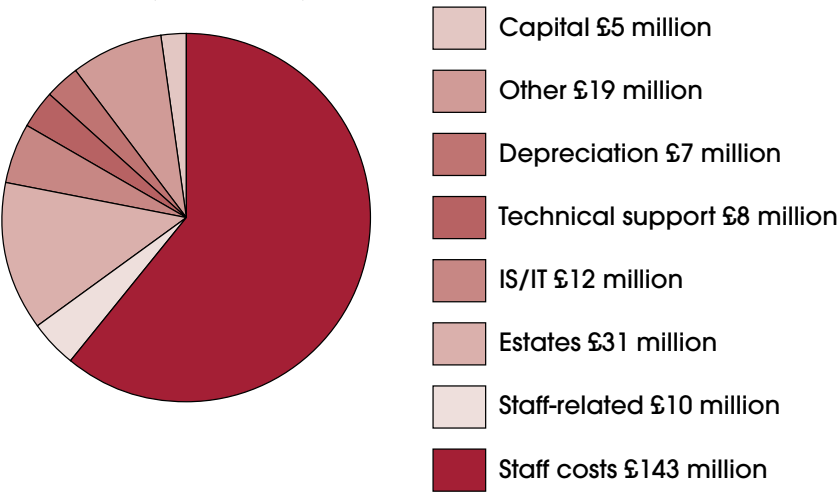
The Spending Review and Autumn Statement set out the government’s plans to ensure Great Britain’s long-term economic security. As part of that Spending Review, HSE, like many other public bodies, will receive reduced government funding over the spending review period.

	2016/17	2017/18	2018/19	2019/20
	£ million	£ million	£ million	£ million
Forecast taxpayer-funded income to HSE	140.9	135.6	128.4	123.4

HSE funding 2016/17 (£235 million)



HSE expenditure 2016/17 (£235 million)



Delivering efficiently and effectively

In responding to this financial challenge, HSE will seek to maintain current levels of its core regulatory activities including permissioning, inspection, investigation and enforcement.

We are committed to ensuring value for money for the taxpayer by reducing our reliance on government funding over the life of the Parliament, while continuing to improve the efficiency and effectiveness of our delivery. We will also sustain HSE’s position as a high-performing regulator that enables improvements in health and safety outcomes and adapts to the rapidly changing world in which we operate.

Our actions to deliver these commitments can be described in terms of the following themes:

Sustaining regulatory excellence

HSE is founded on regulatory excellence, something we are determined to protect and build on. The principles have stood the test of time, driving dutyholders to improve their risk management to create safer, healthier workplaces.

We will avoid complacency through investment in our core capabilities, policies and regulatory tools, while introducing the skills and approaches that keep us modern, relevant and responsive in a changing world. We will work even more closely with other regulators to maximise the impact of our activities.

Growing commercial activities

We will capitalise on our know-how and specialist facilities in the UK and internationally.

Alongside the financial benefit, commercial activities enable us to learn from approaches taken elsewhere, and provide development opportunities for individuals. Sharing our expertise supports enhanced standards and can improve dutyholder performance.

Investing in people and capability

We will continue to build positive energy, making HSE a great place where people are proud to work. We are increasing engagement, improving learning and development, and investing in leadership. We are also sustaining the strong regulatory, policy and scientific capabilities that in combination have been at the core of HSE’s success over the last 40 years.

Driving operational efficiency and effectiveness

We will continue to drive operational efficiency improvements across HSE through better use of technology, simpler processes and a continuing focus on value for money.

Simplifying and streamlining our business processes, and increasing the use of digital techniques to modernise how we interact with dutyholders and the public, will be priorities.

We will continue to focus on delivering cash savings through improved procurement and contract management in areas including communications, legal support, storage and logistics. In addition, our estates strategy will see us rationalising our overall use of space, sharing government facilities and securing lower cost leases.

Further information

For information about health and safety, visit www.hse.gov.uk. You can view HSE guidance online and order priced publications from the website. HSE priced publications are also available from bookshops.

This plan is available at: www.hse.gov.uk/aboutus/strategiesandplans/businessplans.

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