



PROGRESS REPORT
2010

POWERING IMPROVEMENT 2010 PROGRESS REPORT

Background

The Electricity Industry launched its SAFELEC 2010 programme in the year 2000 in response to the Government's *Revitalising Health and Safety* and *Securing Health Together* initiatives, aiming to achieve a marked reduction, in the number of days lost due to work-related injury and ill-health in line with Government targets. The final report was issued July 2010 and is available from the ENA website (www.energynetworks.org). Powering Improvement is the successor to SAFELEC 2010.

The final SAFELEC figures indicate that as an industry we appear to be managing safety risks adequately (the industry is over 5 times safer since privatisation notwithstanding a number of fatalities that have tragically occurred over the past few years). The safety improvements to date have been achieved largely through engineering and organisational controls. Further improvements will primarily be delivered via a focus on human factors i.e. influencing behaviour by addressing issues such as competence (skills/training/knowledge) and supervision.

The SAFELEC 2010 results indicate that reducing work-related ill-health will remain a major challenge for the industry over the next 5 years and a focus on occupational health issues will be a high priority throughout the new strategy (hence the focus on this topic in the 2012 Delivery Plan). Industry performance in delivering the SAFELEC occupational health target "to reduce the number of working days lost per 100,000 workers from work related ill health incidence by 30% by 2010" can be seen in Figure 1. [The 2009 estimate of working days lost per 100,000 workers from work related ill health for those directly employed by members was 24% lower than the 2002 estimate. Assuming that the working days lost per 100,000 workers was not significantly worse in 2000-2001 then the 30% target was not been met for members own employees.]

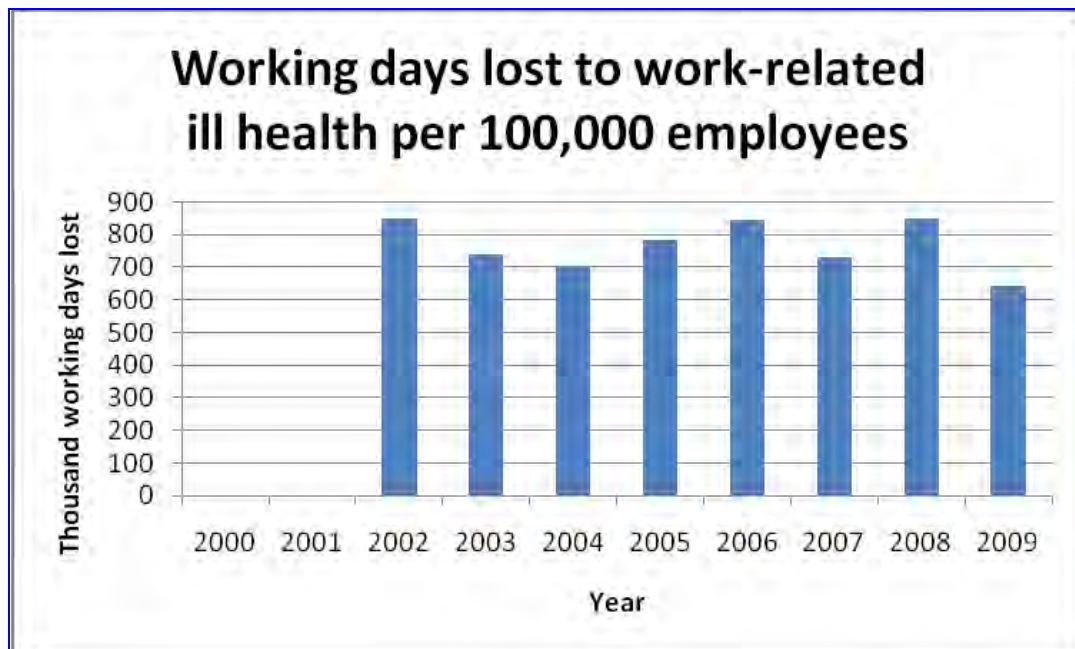


Figure 1 – Working days lost to work-related ill health per 100,000 employees – ENA electricity network companies only

Source: SAFELEC 2010

A further important factor that has helped to shape Powering Improvement is the HSE strategy *The Health and Safety of Great Britain: Be part of the solution* which we as an industry fully support. Powering Improvement will contribute to the delivery of the HSE strategy and has been recognised as such in the HSE's *One year on: Being part of the solution* strategy progress report, published in 2010.

Vision

The UK Electricity Industry will be a world leader in health and safety performance by 2015.

Strategy

ENA and AEP member companies and trade unions commit, with the support of HSE, to build on our partnership approach to bring about continuous improvements in the management of safety and occupational health in the electricity sector in the 5 years leading up to 2015. We will do this by supporting the priorities in the HSE strategy, in particular the themes of leadership, worker involvement and improving competence, and to proactively managing the risks that cause real harm and suffering.

The strategy covers the electricity generation, transmission and distribution sectors.

Success will be achieved by actively supporting the HSE strategy for health and safety in Britain and building on the successes and lessons learned from the 10 year SAFELEC 2010 initiative.

The strategy will be supported by annual delivery plans and an annual report will be produced charting progress. Work will evolve over the 5 year period taking into account new information and experience gained in delivering the early objectives.

In line with HSEs strategy, three over-arching themes will run throughout the lifespan of Powering Improvement: **leadership, improving competence and worker involvement.**

To maintain momentum each year the strategy will focus on a specific topic which has been identified as a priority area for our sector. Each theme will be led by a senior industry champion.

- 2010 Leadership
- 2011 Occupational health/wellbeing
- 2012 Asset management/ maintenance
- 2013 Behavioural safety/personal responsibility
- 2014 Beyond 2015 – Next steps

A delivery plan will be agreed for each of the annual focus areas and progress will be reported in the annual Powering Improvement Progress Report.

Further information can be found in the full strategy document which is available on the Powering Improvement website at www.poweringimprovement.org.

Governance

Powering Improvement is managed and directed by the National Health and Safety Advisory Committee (HESAC) (comprising representatives from AEP and ENA member companies, the industry trade unions (GMB, Prospect, Unison and Unite) and HSE. National HESAC has been operating as a tripartite body successfully addressing health and safety issues in the electricity industry for over 30 years.

Executive decisions on behalf of ENA member companies rest with the ENA SHE Committee and ultimately the ENA Board. Executive decisions on behalf of AEP companies rest with the AEP Health and Safety Forum and ultimately the AEP Board.

Review of 2010

The focus for the first year of the strategy was *leadership* and was championed by David Smith and David Porter in their roles as CEs of ENA and AEP respectively. Leadership is also one of the overarching

themes that will run through the life of the strategy. As part of the theme of leadership, leaders and senior managers of ENA and AEP member companies were encouraged to sign on to the strategy individually to publicly indicate their support. This was achieved and further details can be found in Appendix 1. In addition the ENA and AEP Boards also formally “signed on” to the aims of the strategy.

Senior leaders in the sector’s trade Unions, i.e. GMB, Prospect, Unison and Unite formally supported the strategy as did Brendan Barber, General Secretary of the TUC:

I am writing in order to welcome the Powering Improvement strategy and to offer the full support of the TUC in achieving its objectives.

As you would expect, the TUC encourages close cooperation between trade unions, employers and other stakeholders to achieve the highest standards of safety. The Electricity Industry’s SAFELEC 2010 programme was correctly seen as a model of engagement and we believe Powering Improvement continues that commitment.

I note that the central aim of Powering Improvement is for the ESI to be a world leader in health and safety by 2015. Although this is ambitious I am sure that with the support of Industry’s trade unions it is achievable. You can be assured that the TUC will promote Powering Improvement and I look forward to seeing how it progresses.

Brendan Barber

12th July 2010

The strategy was launched at the annual Energy Industry SHE Management Conference in April and was highlighted at a number of high level industry events including the ENA Well Connected events held at the House of Commons on 27th May and the Welsh Assembly on 20th October.

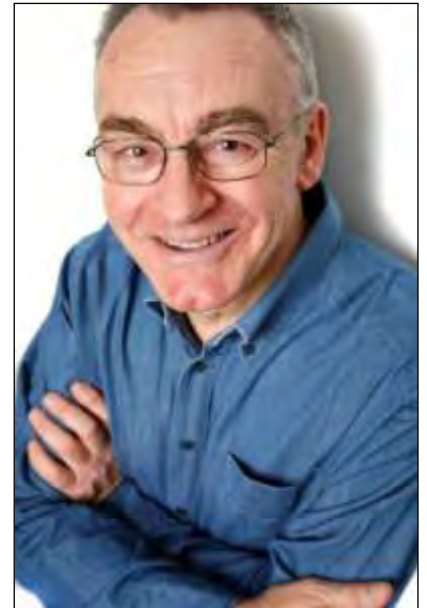


ENA together with its member companies fully support the objectives of Powering Improvement and are fully committed to ensuring its success. As one of the champions for the opening year I have been proud to promote the strategy at a wide range of meetings and events with important stakeholders, particularly those in Government. It is a testament to the significance and value of this work that senior management in ENA's member companies have personally committed to Powering Improvement's objectives. I am confident that through their leadership we will succeed in making the electricity industry a world leader in Health & Safety by 2015.

David Smith, CE Energy Networks Association

As one of the Powering Improvement champions for 2010, I am pleased that we have achieved an admirable level of cooperation and coordination across the electricity industry in improving Health and Safety. I am also pleased that AEP members have committed their support to the Strategy and hope the success of this year is carried forward.

David Porter, CE Association of Electricity Producers



Leadership

Throughout the 5 year strategy, in support of the leadership theme:

- Management will be visible through regular visits to sites. Such visits will be designed to be informal and encourage two-way communication ;
- Managers will seek to develop an understanding of the realities of a particular task i.e. any potential conflict between health and safety and operational considerations;
- Managers will be actively involved in investigations of accidents and incidences of ill health;
- There will be clear communication at all levels regarding management commitment to health and safety;
- The roles and responsibilities of senior management will be clearly defined with regard to health and safety;
- Health and safety considerations will be integrated into all management decisions;
- Managers will foster an effective health and safety culture which encourages open reporting of near misses in addition to accidents and incidents.

In support of the strategy, ENA's SHE Committee produced general guidance on the principles of good "safety leadership". This is attached to this report as Appendix 1.

Delivery Plan for 2011

The second year of *Powering Improvement* focuses on occupational health and wellbeing and the intention is to bring about a sustainable reduction in the number of work related ill health incidents. In terms of what success at the end of the year will look like it is envisaged that ENA and AEP member companies will:

- be aware of their significant work-related health risks
- know where to access the information, support and advice they need, enabling them to take action to prevent and effectively manage work-related ill-health risks
- have plans in place ensuring those best placed to do so are tackling the causes of work-related ill health.

At the core of the year are 6 commitments:

1. To discuss and clarify at board level the commitment to successfully manage occupational health risks
2. To identify the top three health risks and ensure they are being effectively addressed.
3. To ensure that health surveillance & fitness for work assessments are being delivered to national & legislative standards.
4. To review approaches to the management of stress and identify opportunities for improvement.
5. To develop policies for the rehabilitation of individuals back into the workplace and consider a fast-track physiotherapy approach to the management of MSDs

6. To raise awareness of the importance of workforce involvement, specifically health & safety representatives and other workers' representatives, in the management of Occupational Health and support them in carrying out health related activities to support the delivery plan throughout the year.

Two champions will be working throughout the year to drive and support the efforts required to meet these commitments. The champions are Jane Willis, Director of Cross-Cutting Interventions at HSE and John Crackett, MD at Central Networks.

Jane Willis

Senior Management Team Member and Director of Cross-cutting Interventions, Health and Safety Executive

At HSE, I am responsible for policy development on a wide range of health and safety issues and for HSE's contribution to the cross-government policy agenda. In particular my role is to lead work to help deliver our Strategy, "*The Health and Safety of Great Britain - Be part of the solution*", published in 2009 and HSE's response to Lord Young's report, "*Common Sense, Common Safety*", published in 2010. I am also a member of the cross-Government Health, Work and Wellbeing Executive, which supports Dame Carol Black, the National Director for Health and Work. I hope that my knowledge and experience from the GB regulator's perspective will make a valuable contribution to act alongside John Crackett as joint-champion during 2011 - the Occupational Health year of Powering Improvement.



When HSE launched its Strategy, we invited everyone involved in the health and safety system to show their commitment by developing their own delivery plans linked to the Strategy goals, which include leadership, competence and worker involvement. *Powering Improvement* is a brilliant example of what we had in mind.

Occupational health features strongly in the Strategy. Whilst all injury rates continue to fall, the rates of work-related ill health have not improved significantly in recent years. The costs and burden of work related ill health are huge – for society, for business, and for individuals. We estimate that 1.3 million people who worked during 2009/2010 were suffering from an illness they believed was caused or made worse by their current or past work; 555 000 of these were new cases. Each year there are thousands of premature deaths and illnesses related to occupational cancers and diseases such as chronic obstructive pulmonary disease (COPD). Tackling the issues relating to work-related ill health continues to be one of our biggest challenges.

The 2011 *Powering Improvement* delivery plan provides a good starting point for action. It focuses on the need to manage the issues appropriately. You will all recognise that it is much better to prevent ill health occurring in the first place than to deal with the consequences afterwards, and that everybody has a role to play in this.

Experience shows that effective leadership and full engagement are essential to deal with the complexities of work related ill health – and that is where *Powering Improvement* comes in. For 2011, the delivery plan is based around six commitments that we believe will have a positive impact on your organisation, on your people and on your bottom line.

I sincerely hope that member companies will sign up to these commitments and take action to improve workplace health in 2011 - I pledge to give you my personal support in delivering them.

John Crackett

As Managing Director of Central Networks, health and safety is at the forefront of my mind – and all the more because for the last 4 years I have been the main board director with responsibility for safety and health within E.ON.

It is imperative that a business manages safety and health well. If it does not, then the business is losing the opportunity to drive efficiency; is accepting needless losses; and - most importantly - it could be thoughtlessly injuring or damaging its employees.



What convinced me of the real importance of health and safety to a business is my personal experience. I have been persuaded that it is well worth spending the time focusing on safety and health - if not for moral reasons, then certainly for business ones.

For example, in E.ON we have saved £11.8 million a year through managing employee health better. We have taken 20 days off the average absence due to musculoskeletal disorders through relatively cheap and simple interventions. And we have also reduced the number of days lost due to mental health issues by 25%.

In my view, safety and health is a leadership issue for business people. The fact is that, to reduce the toll of ill-health, we have to drive improvement from the very top.

This is why I am delighted to work alongside Jane Willis of the HSE to champion the Occupational Health year of the Powering Improvement strategy. We both believe that, if all of the organisations involved in Powering Improvement adopt and drive the 6 commitments we set out, then it will make a real and lasting difference to the health of all of our employees. That difference will be positive for each individual and in turn be positive for the business.

Along with Jane, I sincerely hope that member companies will sign up to these commitments and take action to improve workplace health in 2011. I pledge to give you my personal support in delivering them.

A number of events will be organised throughout the year to support these commitments and the second progress Report, to be issued early in 2012, will detail some of the successes.

Events confirmed so far:

- Workshop at ENA offices on 2nd February
- Energy Industry SHE Management Conference 14th – 15th April
- Parliamentary reception on 25th May
- SHE reception on 21st September to launch 2012 delivery plan

Appendix 1

Details of ENA Companies formally supporting Powering Improvement

CE Electric UK

Central Networks

UK Power Networks

Electricity North West Ltd

Inexus

National Grid

Northern Ireland Electricity

Scottish and Southern Energy

Scottish Power

Western Power Distribution

Details of AEP Companies formally supporting Powering Improvement

Centrica

Magnox

EDF

Scottish Power

Welsh Power

Doosan Power

RWE

Manx Electricity

Drax Power

Eggborough Power

Appendix 2

Health and Safety Leadership

1. Introduction

One of the key components in any health and safety management system is the effectiveness of the leadership teams throughout an organisation. Setting the right tone from the top is critical in establishing the expectations of the organisation with regard to health and safety.

This guidance describes tried and tested good practice to enhance leadership qualities in order to drive improved performance in health and safety.

2. Elements of Health and Safety Leadership

Leadership is a quality that can be continually enhanced at all levels of an organisation, looking at leadership through a health and safety lens can help the leadership teams identify areas of weakness and prioritise actions to effectively deliver sustained improvement. The following points are not exhaustive, but identify key elements to focus on.

Health and safety leaders should:-

- Be proactive regarding health and safety leadership and set the standards expected.
- Be passionate and enthusiastic about the subject.
- Energise teams to move beyond compliance and effectively utilise systems for sharing good practice and learning from incidents
- Ensure they are visible and engage staff on health and safety issues that are pertinent to the work being undertaken.
- Show commitment to addressing health and safety issues and take ownership and assume accountability.
- Lead by example and never walk past unsafe acts or conditions without addressing them.
- Ensure the level of competence for leading in health and safety is commensurate with the level of risk,
- Maintain a „can do“ attitude at all times and always strive for the best performance possible.
- Actively communicate with peers and staff to ensure assumptions are not being made and all understand the clear message.
- Provide adequate resources to ensure health and safety issues are identified, analysed and prioritised to drive improvement.

3. Key Principles

- In addition to health and safety training, managers should be trained in softer communication skills such as how to engage effectively with staff;
- Management should be visible through regular visits to sites. Such visits should enable genuine two-way communication.

- Managers should be genuinely committed to health and safety and regard health and safety as an essential value. This commitment should be clear to front line workers;
- Managers should have an understanding of the realities of a particular task i.e. any potential conflict between health and safety and operational considerations;
- Senior management should chair the central health and safety committee;
- Managers should be actively involved in investigations of accidents and incidences of safety and ill health;
- There should be clear communication at all levels regarding management commitment to health and safety;
- The roles and responsibilities of senior management should be clearly defined with regard to health and safety;
- Health and safety considerations should be integrated into all management decisions;
- An effective culture should be fostered which encourages open reporting of near misses in addition to actual accidents and incidents.

4. Further Information

HSE provides a range of information on Health and Safety Leadership which includes:

- Successful Health and Safety Management - HSG65
- Leadership for the Major Hazards Industries – INDG277 (rev 1)
- Leading Health and Safety at Work: Leadership actions for directors and board members – INDG417



PARTNERS

Energy Networks Association (ENA) is the industry body for the UK electricity transmission and distribution companies.

Association of Electricity Producers (AEP) is the trade association for the UK electricity generation companies.

TRADE UNIONS:

GMB
Prospect
Unison
Unite

GOVERNANCE

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