



Darby Allan

Woodland
Grange

vision
vision

Taproot Summit- Las Vegas 2008

Senior Executives – gaining involvement



- Messages that work
- Influencing Senior Managers
- Training issues
- Managing the problems
- Culture Development
- Based on IOSH Safety for Senior Executives accredited programme



Senior Executive's role

- All Senior Executives have an essential role in influencing Health & Safety
- Obvious and important role in developing a positive Health and Safety Culture by the example set and actions they take.
- Senior personnel have a key impact and influence on standards of H&S
- Positive leadership style and involvement with the workforce paramount to success



Benefits of effective leadership

- Maximise well being and productivity of all staff
- Stop people getting killed, injured or made ill through work activities
- Improve reputation of the company
- Avoid damaging effects on turnover and profitability
- Minimise likelihood of prosecution and consequent penalties
- It is no secret that the most profitable companies are also the safest



What if it went wrong – accidents/ill-health

“We must be safe we haven’t had any accidents”



What if it went wrong – accidents/ill-health

Lack of Management Control

Underlying causes

Underlying causes

Underlying causes

Underlying causes


Underlying causes

Unsafe Acts

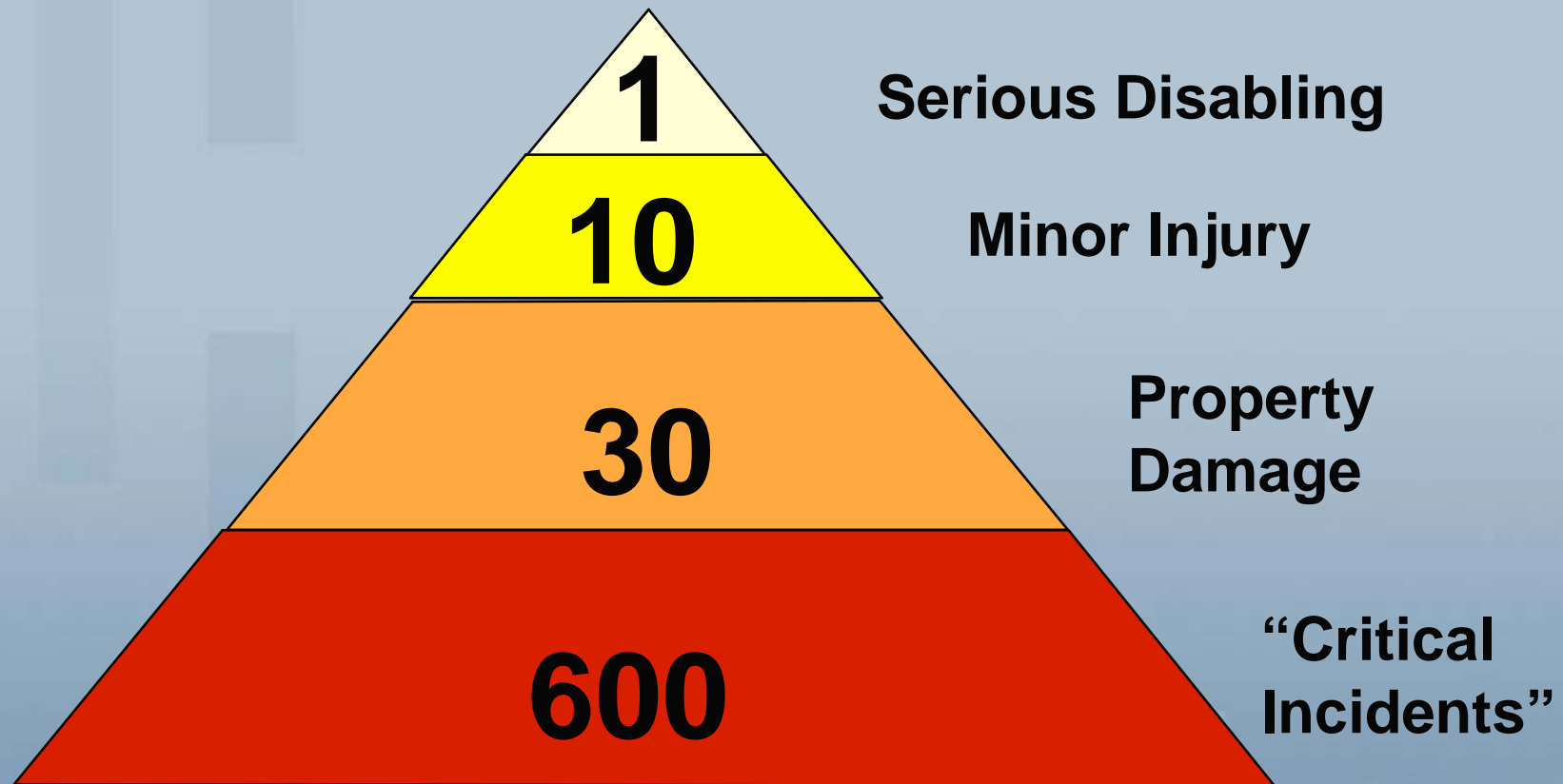
Unsafe Conditions


Accident

Outcomes



What if it went wrong – accident outcomes - Bird 1969





What if it went wrong - UK HSE accident statistics

- 384 fatalities to members of the public
- 217 workers killed
- Estimated 328,000 reportable injuries
- Estimated 2,000,000 incidence of occupational disease, with 523,000 new cases reported
- 30,000,000 days lost - ill health and injury
- Estimated 6,000 per year die from cancer due to past exposures at work, about 3,500 due to asbestos exposure – upward trend




What if it went wrong - UK HSE accident statistics

Focus on

- Falls from height
 - Workplace transport
 - Slips trips and falls
 - Musculoskeletal
 - Stress
-
- Construction Industry
 - Agriculture
 - Public Services





What if it went wrong – driving as an occupational safety problem

- 800 – 1000 deaths per annum of workers
- Over 12000 serious injuries each week.
- One third of all road traffic accidents involve someone who was working
- UK's biggest occupational safety issue





What if it went Wrong - accidents resulting in attendance to hospital

■ Trousers	4440
■ Socks, Tights 6585	
■ Vegetables	634
■ Garden Forks 2860	
■ Hedges	5440
■ Xmas Tree Lights	80
■ Party Balloons 1120	
■ Bean Bags	960
■ Tea Cosies	2



It can also be very risky at home – staff are still off work regardless.



What if it went wrong - consequences and drivers for improvement

Moral

- Pain
- Suffering
- Loss of ability
- Family effects

Economic

- Reputation
- Business interruption
- Damaged plant
- Damaged products
- Lost time
- Loss of skill
- Re-training

Investigation and medical costs




Legal

- Notices
- Prosecutions
- Compensation



vision



What if it went wrong – economic impact of accidents



Insured Costs:

Covering injury, ill health and damage.

Uninsured Costs:

Fines.

Legal costs.

Investigation time/ administration effort.

Productivity loss.

Loss of expertise/experience.

Overtime/temporary labour.

Building, equipment, material or product damage.

Expenditure on preventing recurrence.

Impact on reputation.



What if it went wrong – Uninsured costs

- HSE figures indicate that overall this equates to 5-10% of the trading profits of all UK companies put together
- £200-£400 per employee annually



Accident Prevention

“NEVER WASTE AN ACCIDENT”

Tie in losses against profit and sales to cover the cost of an accident

One accident cost company 9 months production of their most popular product



Accident Prevention

“ Safety is not the absence of accidents but the result of all persons at work, taking positive action to identify accident causes and take preventative action”



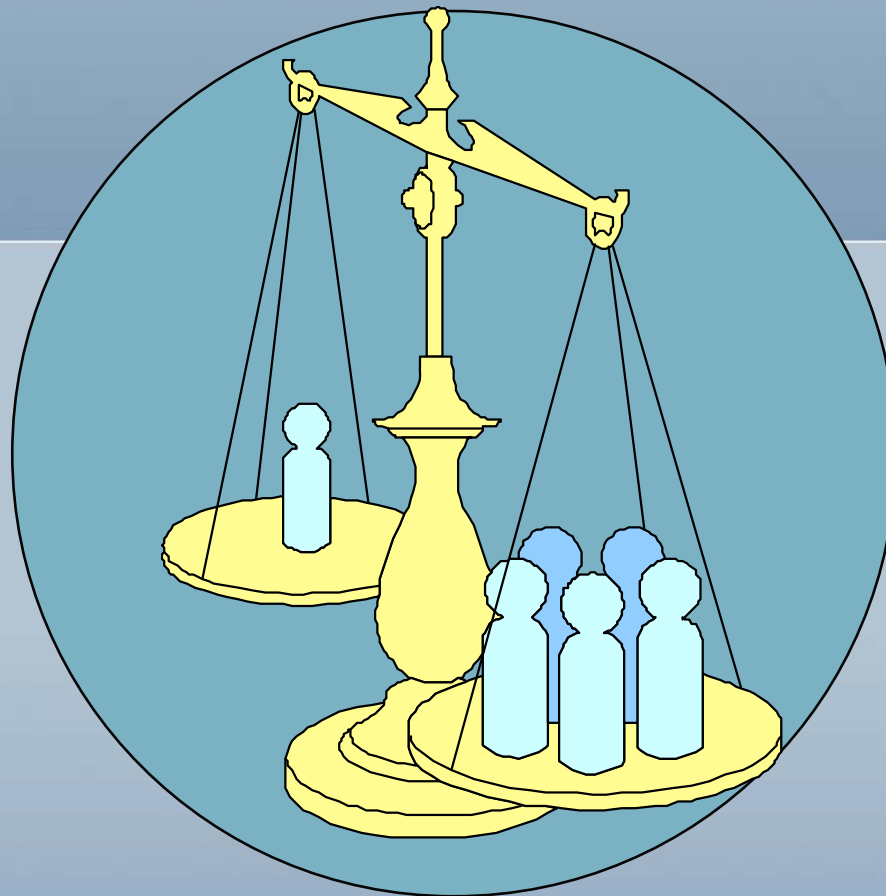
Action points - ensure that:

- A strategy exists for controlling losses
- You are told about incidents
- You have good knowledge of efforts in accident prevention
- H&S is high on the agenda at main meetings
- You know what staff and safety reps think
- Be very confident about assurances on safety



Standards in H&S law

- Employee
 - Reasonable
- Employer
 - Absolute
 - Practicable
 - So far as is reasonably practicable



CORPORATE and INDIVIDUAL LIABILITY



Herald of Free Enterprise



Why were the bow doors left open?

What is the liability of senior management?



Herald of Free Enterprise cont'd

- Herald of Free Enterprise (1987-192 deaths), 5 senior managers and company were prosecuted for manslaughter
- Case failed - prosecution was unable to prove any single manager, whose mind could be identified with the company, to be guilty of manslaughter. (mens rea) – necessary to prove corporate manslaughter
- Difficult to secure convictions against large companies for manslaughter, successes have been recorded against small companies



Lyme Bay Fatalities



It should have been fun –
four children did not return home



Lyme Bay Manslaughter Convictions

- A company and its Managing Director were found guilty for manslaughter, after four teenagers died whilst on one of the company's canoeing activities.
- Peter Kite, Managing Director, was jailed for three years, sentence reduced to two years on appeal in February 1996.
- The company, Active Learning and Leisure Ltd. was also convicted on four counts of manslaughter and fined £60,000.



Hatfield Rail Disaster



Summonses for manslaughter and breaches of HSWA were also served on Network Rail (formerly Railtrack plc) as the infrastructure controller and Balfour Beatty Rail Infrastructure Services Ltd as the maintenance contractor.

Lack of effective maintenance and replacement of defective rails



Hatfield Rail Disaster

Passing sentence, Mr Justice Mackay said the following:

"Balfour Beatty's failure to maintain the track was the worst example of industrial negligence I have seen and Network Rail's failings were lamentable."



Transco Gas Explosion – Larkhall



Aftermath
4 killed.




Corroded ductile
iron gas pipe.



Transco Gas Explosion - Larkhall

- Transco was criticised for lack of policy on inspection and maintenance and for inaccurate records of pipe locations.
- £345M was spent in replacing pipes after the accident
- Transco were fined **£15 Million**
- Demonstration of the power of the regulator and courts



The 2007 Corporate Manslaughter & Corporate Homicide Act

- Introduces new statutory offence for companies and corporations
- No individual liability; Common law manslaughter as it applies to individuals remains unchanged
- Corporate bodies can be prosecuted for gross negligence



Factors for the Jury

- The jury can take into account the following:
 - Failure to comply with H&S law related to the breach;
 - Seriousness of that failure;
 - Risk of death posed by that failure;
 - Cultural issues
 - ***“attitudes, policies, systems or accepted practices [...] that were likely to have encouraged any such failure or to have produced tolerance of it.”***



Directors Code of Practice

New guidance

from

Institute of Directors and Health and
Safety Commission

i.e. their peers



Directors Code of Practice

“Board level involvement is an essential part of the 21st century trading ethic. Attitudes to health and safety are determined by the bosses’ attitude not the company’s size.”

“An organisation will never be able to achieve the highest standards of health and safety management without the active involvement of directors. External stakeholders viewing the organisation will observe the lack of direction.”



Directors Code of Practice

Essential Principles

- Strong and active leadership from top
- Worker involvement
- Assessment and review

- Simple guidance – follows PLAN –DO –CHECK–ACT approach



Action points

- Satisfy themselves they are giving HS&E leadership
- Satisfy themselves they know what their employees think of the company's Health, Safety and Environmental performance
- Satisfy themselves they are involving the workforce properly



Action points

- Satisfy themselves the board is sufficiently aware of the risks to Health, Safety and Environment in the company
- Satisfy themselves the board really knows how the company is performing
- Satisfy themselves there is a director who is officially and effectively the Health, Safety and Environmental champion



Corporate Governance



vision

VISION



Corporate Governance - Turnbull Report

Internal control code on corporate governance.

Institute of Chartered Accountants.

“A company’s system of internal control has a key role in the management of risks.”



Corporate Governance - Turnbull Report

Companies need to:

- Identify, evaluate, manage significant risks.
- Assess effectiveness of internal control system.
- Annual assessment for the purpose of making a statement in their annual report.



Managing health and safety risk.





“Safety just gets in the way of getting the job done”

“ I employ safety guys to do this for me”



Management of Health and Safety Regulations 1999 (MHS)

- Risk assessments.
- Principles of prevention to be applied.
- Arrangements for health and safety.
- Health surveillance.
- Health and safety assistance.
- Emergency procedures.
- Contacts with external services.
- Information for employees.
- Co-operation at shared workplaces.
- Persons working at host employers site.



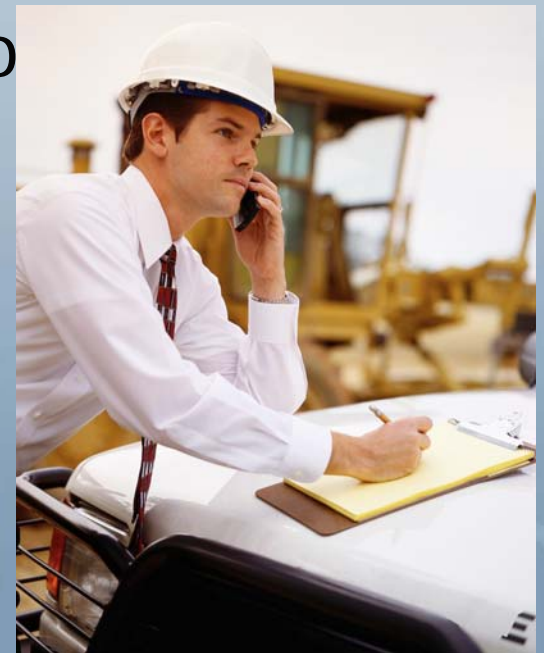
MHS Regulations cont'd

- Staff capabilities and training.
- Employees duties.
- Temporary workers.
- Risk Assessment in respect of expectant mothers.
- Certificates from Registered Medical Practitioners.
- Notification by new or expectant mothers.
- Protection of young persons.
- Also those with special needs.

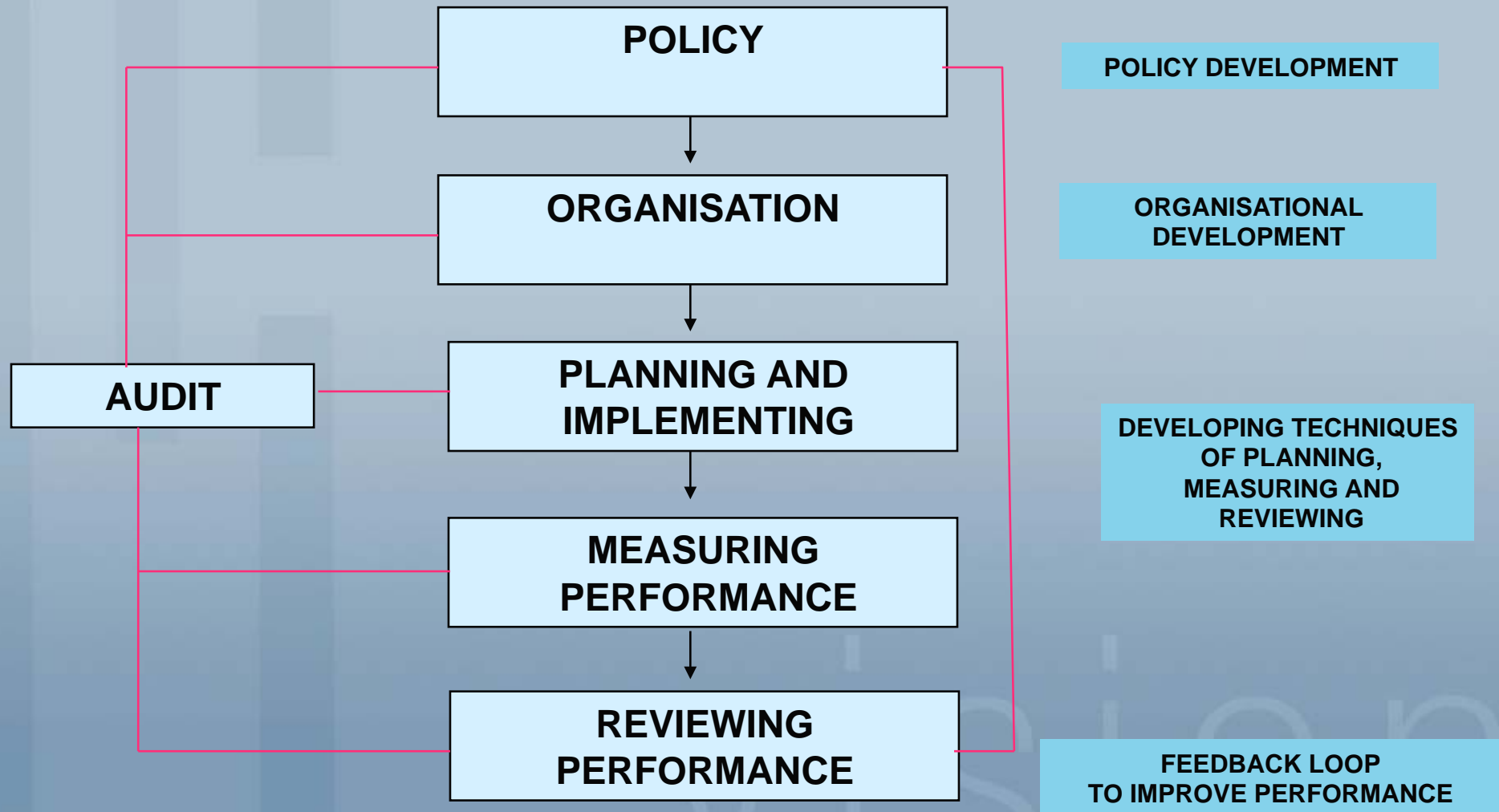


MHS Regulation 3 - Risk Assessment

- Suitable and sufficient
- Significant findings recorded
- Revise as necessary
- Pregnant Worker & young persons
- Review assessments



Successful Health and Safety Management HS(G)65





Actions

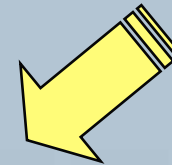
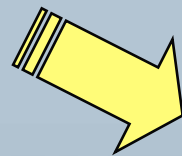
- Senior Executives need to ensure :
- You have recorded and communicated your attitude to HS&E and the expectations from the HS&E programme.
- You clearly define that you will go beyond compliance and will seek standards which will deliver cost savings in reduction of lost time in damage, sickness and injury.
- HS&E is a business risk to be managed
- You know how well HS&E is managed and that you cannot rely on others, however expert, to absolve them from legal liability and to protect the companies reputation.



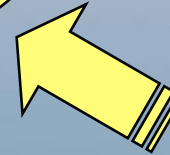
MODERN SAFETY CULTURE AN ADVANCED APPROACH

**ENGAGING LEADERSHIP
VISIBLE & ACCOUNTABLE**

**MOTIVATING IMPROVEMENT,
PERFORMANCE MANAGEMENT**



**MODERN SAFETY
CULTURE**



**TEAMS ACTIVELY
MANAGING RISKS**

**EFFECTIVE SAFETY
COACHING**



Safety Culture – action points

Senior Executives should

- Walk around the workplace , talk to people about their work and ask “idiot” questions about why tasks are done this way etc.
- Encourage people to open out about their work to gain insights into working practices.
- Ask for suggestions for improvement then act on them
- Try to “catch” people doing the job correctly and praising them for that
- Build trust by acting on health and safety concerns