

TRANSPORT FOR LONDON

SAFETY, HEALTH AND ENVIRONMENT COMMITTEE

**SUBJECT: REVIEW OF HEALTH, SAFETY AND ENVIRONMENT
 ASSURANCE**

DATE: 22 JULY 2008

1 PURPOSE AND DECISION REQUIRED

- 1.1 To report on a review by the Committee's advisers on the provision of assurance on Health, Safety and Environment (HSE) matters to the Safety, Health and Environment Committee (SHEC) and the TfL Board.
- 1.2 The Committee is requested to NOTE the content of the report.

2 BACKGROUND

- 2.1 At the SHEC meeting in March 2008, the Members requested the SHEC advisers review the provision of HSE assurance to the Committee and produce a Report.

**3 PROVISION OF ASSURANCE TO THE SAFETY HEALTH AND
 ENVIRONMENT COMMITTEE AND THE TFL BOARD**

- 3.1 The advisers' conclusions following their review, based on the period from May 2007 to April 2008, are in the report attached as Appendix 1.

4 RECOMMENDATION

- 4.1 The Committee is requested to NOTE the content of the report.

A REVIEW OF THE PROVISION OF THE ASSURANCE PROVIDED TO THE SAFETY, HEALTH AND ENVIRONMENT COMMITTEE (SHEC) AND THE TFL BOARD

This Report was produced by the advisers to SHEC: Gordon Sellers and Brian Wilkinson.

1. BACKGROUND

- 1.1 The terms of reference for SHEC are laid out in TfL Standing Order No.1 and can be summarised as:
- To satisfy itself, on behalf of the Board, that the TfL Group:
 - Discharges its HSE legal duties;
 - Has in place appropriate HSE policies, management systems, arrangements and procedures to meet legal requirements and risk control;
 - Is responding effectively to relevant Mayoral Strategies and initiatives;
 - Is adequately resilient to threats.
 - To report quarterly to the Board and to carry out an annual review of HSE performance.
 - To review, and exceptionally to request, HSE audits and reviews and to monitor progress of implementation of recommendations.
 - To advise the Board on HSE performance and compliance, and on HSE strategy.
- 1.2 In complying with the Terms of Reference SHEC must have regard to, and promote, inclusion.
- 1.3 At the time of the review the Vice-Chair of the TfL Board was the Chair of SHEC, and three members of the TfL Board were members of SHEC. There was one vacancy in SHEC for a further member of the TfL Board. One of the Special Advisers to the TfL Board was an adviser to SHEC.
- 1.4 SHEC is required to meet at least four times a year and the quorum is three members.
- 1.5 Listed in the Standing Order as in attendance at the meetings are:
- The Director of Group Health, Safety and Environment;
 - The authors in their role as external advisers;
 - Representatives of the three 'Modes' – London Underground, Surface Transport and London Rail.
- 1.6 The Commissioner attends the first SHEC meeting of each year, at which the TfL Annual Health and Safety Report and the HSE Assurance Letters are presented.

- 1.7 The job description for the two advisers mirrors the terms of reference for SHEC and states that they “*will be expected to guide SHEC as to whether assurance provided is suitable and sufficient and if management of HSE, resilience and sustainability is in line with industry standards*”.
- 1.8 As specified in the Standing Order, SHEC meetings are arranged in open and closed sessions. The closed session addresses issues which may be commercially or financially sensitive, relate to personnel etc and therefore take place in private. Papers under discussion are confidential, although some information may enter the public domain in due course.
- 1.9 Arrangements for reporting on SHEC are that:
- The SHEC open session agenda, minutes of last meeting and SHEC papers are published on the TfL website following each meeting.
 - The SHEC Chair reports on each meeting to the next TfL Board meeting. The Board agenda, minutes of last meeting and Board papers (including the report on SHEC) are published on the TfL website following each Board meeting.

We consider that these arrangements meet best practice.

2. SHEC’S BROAD REMIT

- 2.1 TfL has to comply with many HSE legal requirements, and address related governmental or GLA policies, as well as meeting operational and social needs in a fully responsible way. Consequently SHEC has a very wide remit – and that remit has to adapt continuously to changes, for example:
- The Corporate Manslaughter and Corporate Homicide Act 2007 which came into force on 6 April 2008.
 - The increasing priority in government and the GLA on environmental and sustainability issues.

We consider that the arrangements for SHEC allow issues, and matters of interest and importance, to surface in an appropriate manner.

3. HSE ASSURANCE – SHEC IN PRACTICE

Advisers’ introductory programme

- 3.1 Following our appointment in May 2007 as external advisers to SHEC, an introductory programme was arranged for us.

Our introductory programme was very effective.

Meeting procedures

- 3.2 A few weeks before each SHEC meeting, the draft agenda and papers are issued for review by us and the SHEC Chair. We provide a briefing note for a meeting with the SHEC Chair and the Director Group HSE to discuss matters arising from the meeting papers which we jointly agree should be raised at SHEC i.e. questions, requests for clarification, comments and any additional matters which were not covered in the draft agenda and papers. Following this meeting, our updated briefing note is issued to the modes and the General Counsel to enable them to prepare for the next SHEC meeting.

This process is efficient and effective.

- 3.3 As required, four SHEC meetings were held during the period under review and there was always a quorum of three members at each meeting. The modal representatives at each meeting were the respective Managing Directors, except that on two occasions the MD of London Underground was unavoidably absent and his Safety Director delegated for him. We understand that each mode used to be represented by a senior manager but that SHEC decided a few years ago that the modal representatives should be the Managing Directors.

The current practice 'mainstreams' HSE as a line management responsibility and we consider that it is best practice.

- 3.4 Although not listed in the Standing Order, the General Counsel attended each SHEC meeting to represent the Corporate Directorates, as there is no 'Corporate Managing Director' to which all of the Corporate Directorates report. Given the relative HSE risks in the Corporate Directorates and the Modes, it would be excessive for each Corporate Directorate MD to attend each SHEC, however it is essential that they are represented. Effectively SHEC treats Corporate Directorates as if it were a fourth 'mode'.

It is appropriate for the General Counsel to represent the Corporate Directorates at SHEC and to keep the other Corporate Directors fully informed.

RECOMMENDATION 1: Each Corporate Director in turn should be requested to attend one SHEC meeting over a period of two years to give an opportunity for members to discuss the role and issues of his or her directorate in relation to HSE matters. Priority: Medium

Providing that recommendation 1 above is implemented, we consider that the SHEC meeting procedures will meet best practice.

Meeting content

- 3.5 In addition to 'Apologies for Absence and Declarations of Interest', 'Minutes of the previous Meeting' and 'Matters Arising and Action List', the main standing items on the SHEC open agenda are the quarterly updates from the modes. Each update includes:
- What went well / areas for improvement / significant plans for next quarter.
 - Progress against safety improvement plan.

- Health of the management system, including status of audit programmes, of which members and advisers can request a copy of the reports.
- HSE performance.
- Major incidents.

The members and advisers ask questions, request clarification, comment on the reports and request action where necessary.

We consider that this is best practice.

3.6 SHEC reviews the Draft Health and Safety Plans for the coming year. Progress against these plans is reported quarterly by the modes and in the Annual H&S Report. We consider that this is best practice.

3.7 SHEC does not formally follow up on the 'significant plans for next quarter'.

The advisers will check over 2008-09 that the significant plans previously announced are reported on in subsequent quarterly reports.

3.8 As SHEC meets some weeks after the end of a particular quarter, the modes, members and advisers on occasions raise matters which have arisen after the quarter in question and are therefore not covered in the reports. But there is no structured process to capture such 'recent matters'.

RECOMMENDATION 2: when introducing their quarterly reports, modal representatives should verbally update SHEC on any significant events since the end of the quarter. Priority: Medium

3.9 The other quarterly standing item is an update on sustainability matters. TfL, both in the Corporate Directorates and the business modes, is addressing the many and newly emerging environmental and sustainability issues in a responsible and innovative way. The quarterly reports give updates on:

- Travel demand management;
- More sustainable modes;
- Climate change;
- Other environmental issues;
- Social inclusion and equality;
- Business processes/mainstreaming sustainability;
- Responsible procurement.

The advisers find the reports informative and the procedures reported follow best practice. However, they question whether the notable achievements are given appropriate publicity and will monitor this over 2008-09.

3.10 The advisers and SHEC commented on the draft Environment Report 2007 which was amended appropriately before the Environment Report was published on the TfL website.

We consider that this is best practice.

- 3.11 Each Chief Officer submits an Annual HSE Assurance letter to the Commissioner to report on the implementation status of his (or her) department's Health, Safety and Environmental Management System (HSEMS). It represents their, and their Directors, personal commitment to the effective management and continuous improvement of HSE. These letters are a critical part of the assurance process and they are reviewed by SHEC.

We consider that this is best practice.

- 3.12 With respect to Resilience, it has been agreed that Resilience Assurance Letters, paralleling those already prepared for HSE matters should be introduced during 2008.

The advisers fully support this proposal.

- 3.13 SHEC meetings normally include additional special topics, some of which are proposed at the end of the previous year by the Director Group HSE and others are added as issues arise and at the request of members or advisers. In the year under review, the special topics were:

- Safety on London Buses
- Road Safety Update
- Draft Health and Safety Plans 2008/09
- Major Project Business Unit HSE Management
- Occupational Health Update
- Summary of Major Incident Investigations
- H &S in business planning guidelines for 09/10 and forward

As with the quarterly updates, the members and advisers ask questions, request clarification, comment on the reports and presentations and where necessary request action.

We consider that this is best practice.

- 3.14 As well as the status of audit programmes being reported in the quarterly modal reports, audit reports on the TfL Group HSE Management System and the Corporate Directorates HSE MS were issued in the year under review. The members were issued with the Executive Summary of the reports, while the advisers reviewed the reports and the resulting action plans, progress against which will be reported to future SHEC meetings.

We consider that this is best practice.

Providing that recommendation 2 above is implemented, we consider that the content of SHEC meetings will meet best practice.

Closed meeting content

- 3.15 The procedures for the closed meetings are similar to those for the open meetings.

The advisers consider that the selection of topics for the closed meetings, and the resulting discussions, meet best practice.

Complementary activities

- 3.16 The SHEC Chair invited the members and advisers to attend a number of additional meetings, including:
- A briefing on and visit to London Underground's Workplace Violence Unit.
 - The 'Risk It and Lose It' presentations for 16-24 year olds, organised by the London Safety Camera Partnership.
 - A briefing on and visit to an innovative Waste to Energy project in East London.
- 3.17 Where they felt it necessary for their understanding of key issues, the advisers also arranged a number of discussions and site visits. The advisers reported back to the next SHEC meeting on each of these complementary activities.

We consider that these complementary activities are best practice and should continue as necessary in 2008/09 and future years.

4. REVIEW OF HSE ASSURANCE AT SHEC AGAINST INSTITUTE OF DIRECTORS / HEALTH AND SAFETY COMMISSION GUIDANCE

- 4.1 In October 2007, the Institute of Directors and the Health and Safety Commission jointly issued guidance "Leading health and safety at work – leadership actions for directors and board members", INDG417. The introduction states that "*This guidance sets out an agenda for the effective leadership of health and safety. It is designed for use by all directors, governors, trustees, officers and their equivalents in the private, public and third sectors. It applies to organisations of all sizes.*"
- 4.2 The guidance contains a useful health and safety leadership checklist.

RECOMMENDATION 3: at an appropriate time, SHEC and the modal MDs should complete the health and safety leadership checklist in "Leading health and safety at work" (INDG417) to identify any opportunities for improvement, develop action plans and ensure that they are implemented. Priority: High

Providing that recommendation 3 above is implemented, we consider that the TfL Board will meet the IoD / HSC guidance on leading health and safety at work.

5. CONCLUSION

- 5.1 On the basis of the insights we have gained over the last 12 months we consider that, in almost every respect, TfL meets best practice for assurance of its HSE management systems and complies with guidance from the IoD and HSC on leading health and safety at work. TfL takes a fully responsible and innovative approach to the way it addresses sustainability matters. If the recommendations in this review are implemented, then we consider that TfL will meet best practice in all respects.