

# Annual Report Health and Safety

Year ended 31 March 2012



Dŵr Cymru  
Welsh Water



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# Overview

Dŵr Cymru Welsh Water (Welsh Water) is responsible for the delivery of water and wastewater services to over three million people in Wales and certain adjoining parts of England. These essential public health and customer services (and the ancillary activities that support them) are delivered by nearly 4,000 people who work either for Welsh Water or for one of the Company's outsourced service partners.

Ensuring the occupational health and safety (OHS) of all our employees and the health and safety of members of the public is a top priority and a big responsibility. On any working day, construction or engineering work may be being carried out at around 150 individual sites across the Welsh Water region, and up to 4,000 procedures or operational activities are performed at our treatment works or on our network of water and wastewater pipelines.

The financial year ended 31 March 2012 (2011-12) saw the consolidation of the new structure of Welsh Water and the further development of new SAP operating systems and working practices. It was the second year of the regulatory period (AMP5) and during this year some new activities including water quality sampling, laboratory services and private sewer management were brought back under direct control. In 2009-10, only 220 people were directly employed by Welsh Water, but following all the changes Welsh Water now has some 2,000 employees.

Where the nature of business activities has changed or we have taken on additional responsibilities (such as private sewers), we have ensured that the health and safety impacts assessed to ensure that the risks associated with these changes were effectively managed.

## Safety performance

In 2011-12 we continued to see an overall improvement in our safety performance. The number of reportable injuries fell by a further 12% and the number of minor injuries fell by 10% when compared to 2010-11. The Reportable Incident Rate for 2011-12 (reportable injuries, diseases and dangerous occurrences per 100,000 employees) was 617 which continued the improving trend over the last 3 years. We have also made significant improvements in the number of near misses reported (up by 348%) and have also started to capture Unsafe Acts and Conditions – with 5150 learning opportunities identified by Welsh Water and our Partners during the year.

Our safety performance has continued to improve following a period of significant organisational change. However, we cannot be complacent and will continue to ensure that near misses, unsafe acts and unsafe conditions are identified and addressed, to prevent injuries.

During the last year we have actively encouraged our wider supply chain to report injuries and incidents so that we can prevent future events. As a result of this we have recorded an additional 8 contractor RIDDOR injuries over the course of the year that would not have previously been captured within our reporting systems. These will be included in our performance targets for 2012-13. This has enabled us to widen the scope of our improvements and we have held workshops with selected contractors to share our health and safety aspirations (our 'Journey to Zero') and to allow them to learn from each other and improve their health and safety management systems as a result.

## Health performance

A new Occupational Health service provider contract commenced in June 2011 covering the whole organisation. This contract has enabled managers to rapidly obtain information and support to effectively manage ill health and reduce the number of long term sickness absence cases during the year.

A programme of targeted occupational health surveillance for Welsh Water employees also commenced in October 2011. The programme targeted 988 (primarily front line) operational employees. The assessments were well attended and there were 154 referrals recommended from the surveillance for further follow up by the Occupational Health Advisers. This has enabled us to effectively support employees and to identify and manage potential health risks before they become ill health absence issues.

However, during 2011-12 we saw an overall increase in working days lost due to both injuries and illness. This is an area we will focus on for the coming year with both our own employees and our contract partners.

The Human Resources and Health and Safety teams have also worked together during the year to improve our absence management and monitoring systems. This has resulted in the launch of DiAL in April 2012 – a new phone line to record all absences. We will be monitoring this during the year to ensure that all managers are effectively managing absence and employee ill health.

## Our proactive approach to managing OHS

To maintain the focus on improving our occupational health and safety performance, we have continued to develop and deliver our occupational health and safety strategy which was endorsed at the Quality and Environment Committee of the Board (QEC) in October 2010. This strategy provides a clear framework for how we will achieve our vision to be the best (our 'Journey to Zero') and will ensure that good occupational health and safety practice is embedded across the business.

The strategy has 14 improvement initiatives supporting the 3 themes; 'First Standards', 'First Systems' and 'First Support Services'. We are monitoring these initiatives through monthly management reports, and held a 1 year on review with the Board in October 2011. To demonstrate active senior management commitment to the new strategy, 34 members of our senior leadership team (including 3 Directors) successfully completed an IOSH Safety for Senior Executives assessed training courses during 2010. In addition we have developed and delivered IOSH Managing Safely training for selected senior managers.

Alongside the implementation of our strategy we have maintained and enhanced several key elements of our OHS management system including:

**Near miss reporting:** We encourage the reporting and investigation of 'near miss' events – i.e. unplanned events which do not cause injury or damage, but could have done so under different circumstances. There are important 'learning events' and a key part of our process of continuous improvement.

Last year, the number of near miss events was lower than in previous years as, historically, over a third of all our near misses were connected with mains refurbishment activity, and our 10 year refurbishment programme was completed in 2009-10. This also meant that across the business we employed 19% fewer people in 2010-11.

To encourage near miss reporting we re-launched our reporting hotline during 2011-12 - a single phone number for all colleagues to use. We have also strengthened our process of management intervention to ensure that unsafe acts and unsafe conditions are identified and actions are taken to prevent injuries. This has resulted in significant improvements with over 6,000 near misses, unsafe acts and conditions being reported.

**Business specific OHS plans:** This involves the setting of annual OHS objectives for each part of the business including our partners. Each OHS plan is supported by a programme of staff training and development and a combination of independent and peer audit of performance and compliance with our OHS management system.

In 2011-12, Welsh Water oversaw the delivery of 62 contractor OHS 'Roadmap' initiatives to address major risks identified at the start of the year and to maintain management focus on continuous improvement in health and safety. By the end of the year, 96% of all objectives had been delivered. Each Welsh Water team established a Unit Assessment plan – progress against these exceeded our overall targets for the year.

OHS audit: Further assurance is provided by Welsh Water's multi tiered OHS audit programme. In 2011-12, this included 30 internal 'cross partner audits', bringing the total number of such audits to 350 under the process we introduced ten years ago. Last year our internal Business Systems Audit team prioritised their programme of audits to cover the newly in sourced operational activities and business processes. This has continued in 2011-12 with a focus on ensuring the retention and extension of our 18001 accreditation.

### Promoting OHS excellence:

An important part of our OHS management system is recognising health and safety excellence. In June 2011 we held our fifth annual conference, which was attended by a cross section of 300 employees and service partners. This Conference, which was sponsored by Mitsui Insurance, received presentations from independent experts in the field of OHS including Daniel Shears (GMB), Steve Carver (Cranfield School of Management), Ian Harper (Qesh Management) and Tim Marsh (Ryder Marsh). The conference also featured an exhibition of Health and Safety Innovation ideas that were voted on by the conference delegates. This event was also our platform to present the Welsh Water annual awards to recognise OHS Excellence.

### Our behavioural safety challenge

In previous annual health and safety reports we have highlighted that Welsh Water experiences too many avoidable injuries. We recognise the importance of human factors as contributors to incidents and will continue to focus on improving our business culture and staff behaviour as a key objective.

Typically, the avoidable incidents that we experience include slips, trips and falls on the same level, or by handling, lifting and carrying - incidents that should not happen if safe working practice and company procedure is followed and reasonable precaution is taken in adverse weather conditions. These injuries are not good for employee health and well being and also affect the operating efficiency of the business. The proportion of these incidents during 2011-12 was 29% for slips, trips and falls and 24% for handling, lifting or carrying. Working days lost due to back injuries (often related to manual handling activities), has reduced from 7.7% of all days lost in 2010-11 to 3.6% in 2011-12. We are determined to improve this further.

During the last year we developed and delivered a new programme of manual handling training, working with Pristine Condition. We have trained 785 operational employees in ergonomic lifting techniques and have also trained 90 Traca coaches to reinforce the training principles. This will be monitored over the coming year to ensure these lifting techniques are adopted and used.

We are also keen to encourage behavioural based interventions by managers and employees.

To drive this we need visible leadership and a just culture, which includes greater senior manager involvement in accident investigation, increased communication on risk assessment and targeted training for managers and employees to heighten personal safety awareness. We have introduced quarterly Safety Days to ensure all our employees and partners are thinking 'Safety First' and supported these with a programme of monthly E-Quipped team talks and core brief items.

### Governance of OHS

In January 2012, Welsh Water's occupational health and safety management system retained certification to the internationally recognised OHSAS 18001:2007 standard, after successfully passing the required independent audits (conducted by SGS UK Ltd), with no major non conformances. We also continue to use the Institute of Directors and Health & Safety Executive 'Leading Health & Safety' guidelines as a benchmark for the development of OHS strategy.

OHS performance is detailed in a monthly performance report which is reviewed at each meeting of the Board and QEC. QEC also reviews and, when appropriate, briefs the Board on significant incidents and near-miss reports and matters arising from the regular updates QEC receives on key OHS issues, developments and legislation. Under our management system each tier of OHS management (e.g. the Board, executive directors, and steering groups and consultative committees) has a defined responsibility to encourage a positive culture in the business.

We continue to place great emphasis on monitoring contract partner performance and oversight of procedures that promote and share good practice across the wider Welsh Water business. This is reflected in the following Occupational Health and Safety Report, which covers the performance of Welsh Water and its outsourced service providers (or main partners), of which there were 15 in 2011-12.

This is achieved without detracting from the legal responsibility of each outsourced service partner to have its own governance arrangements and to manage and monitor its own occupational health and safety performance and obligations. We also encourage continuous improvement in the performance of all partners via a business support team comprising OHS specialists that meets quarterly. Through this arrangement we share information right across the business, issue safety-alerts and generally oversee the management of OHS to a consistently high standard across all activities undertaken by or on behalf of Welsh Water.

### Priorities for 2012-13

The priorities for the next year are to continue to manage and monitor our health and safety risks, and maintain and expand our health and safety management system accreditation; while delivering further business improvements. We will continue to develop and deliver a range of health and safety improvement projects focussing on occupational health and wellbeing, health and safety awareness and partner and supply chain performance. We will also work with the HSE as our regulator to ensure any actions are implemented following the audit of our new management system.

### Conclusion

Our safety performance has improved during 2011-12 and we have reviewed our system for managing OHS to protect the health and well being of the people who work to deliver services to Welsh Water's customers. We have kept the focus on improving our performance during a period of consolidation of business change and recognise that we still need to do more. We are committed to delivering our health and safety strategy, learning from others and proactively working with the Health and Safety Executive and other regulators and the wider water industry. We maintain our belief that everyone has the right to return home safely at the end of every day and strive to improve their health and wellbeing of all our employees and partners.



**Peter Perry**  
Executive Director, Operations

*We maintain our belief that "everyone has the right to return home safely at the end of each working day" and strive to improve the health and wellbeing of all our employees and partners.*



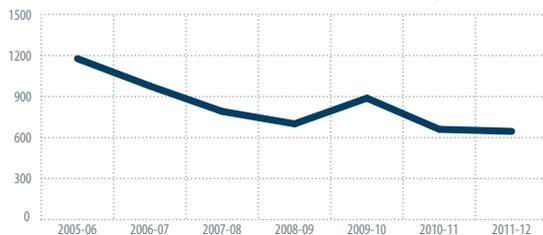
# Review of performance 2011-12

This report details the occupational health and safety performance of Welsh Water, its major contract partners and their main subcontractors in the twelve month period that ended on 31 March 2012.

The report covers the following activities:

- » Asset Operation and Maintenance (all reservoirs, sewage/water treatment works and pumping stations, water and sewerage network systems including; mechanical/electrical/instrumentation work/CCTV surveys);
- » Asset Investment (ownership/design/construction/refurbishment);
- » Sampling Services (water and sewage);
- » Customer Services (including billing and income, credit management, call centre management and meter reading);
- » Meter Installations; and
- » Provision and Maintenance of IT Systems.

Reportable accident incident rate per 100,000 employees



Injury days lost per employee



Non-Reportable accident incident rate per 100,000 employees



Illness days lost per employee



Incident Category	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Reportable injuries	21	24	39	34	35	42
Non-reportable injuries	249	277	353	384	374	301
Dangerous occurrence	3	2	2	0	4	1
Near misses	1,161	259	678	761	537	378
Reportable diseases	0	0	2	1	3	0
Enforcement action	0	1	0	0	0	0
Days lost due to injury <sup>1</sup>	1,641	1,502	1,459	799	827	898
Days lost due to illness <sup>2</sup>	25,198	21,870	23,457	23,281	25,941	21,059
Average no. employees (FTE)	3,887	3,938	4,843	4,869	4,425	4,279
<b>Total Hours worked this year</b>	<b>7,167,448</b>	<b>7,907,298</b>	<b>9,785,275</b>	<b>9,600,997</b>	<b>8,638,506</b>	<b>8,292,064</b>

<sup>1</sup> Days lost within the year, including any carry-over days from previous year

<sup>2</sup> All illness, including workplace related absence

Note: other contractor reports not included in 2011-12 data

RIR – RIDDOR reportable incidents	617*	660*	888*	700	791	977
AIR – non-reportable injuries	6,406	7,034	7,289	7,886	8,451	7,005
<b>Work days lost to injury per employee</b>	<b>0.42</b>	<b>0.38</b>	<b>0.30</b>	<b>0.16</b>	<b>0.19</b>	<b>0.21</b>

\*Includes all RIDDOR Injuries, Diseases and Dangerous Occurrences

## Performance data

2011-12 was a year of consolidation following a year of change during which our occupational health and safety performance began to improve again, as is shown in the table opposite. Comparing our performance with the previous year - we saw a further reduction in the number of reportable injuries (down from 24 to 21) and also a reduction in the number of minor injuries. The number of non-reportable injuries fell from 277 to 249. The average number of employees was very similar to 2010-11; however, the total hours worked was slightly lower.

The RIDDOR Incident Rate (RIR) (per 100,000 employees) for 2011-12 was 617 and the Accident Incident Rate (AIR) for all non-reportable injuries was 6,406. Both of these are improvements on the previous year. The rate of working days lost per injury per employee is higher than last year. This has been adversely affected by a number of longer term contractor absences during the year following injuries involving broken bones.

## Major reportable accidents

Major injuries are defined in RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995) and are mainly concerned with fractures, dislocations, loss of sight, chemical burns, electrical shock or burn, or loss of consciousness.

In 2011-12, 6 of the 21 reportable injuries were classified as major injuries. One injury was a Welsh Water employee who slipped on gravel at a reservoir and broke their ankle. Three injuries were broken ankles to networks contractors following slips and trips when collecting barriers and shovelling stone.

Two injuries were broken ankles reported by members of the public and were associated with contractor excavations in the highway. This shows deterioration from 2010-11 where there were 4 major injuries but is an improvement from 2009-10 where there were 10 major injuries. The remaining 15 reportable injuries during 2011-12 were lost time injuries exceeding three days.

## Dangerous occurrences

There were three dangerous occurrences recorded during 2011-12. No-one was injured as a result of these incidents. Two of the incidents were associated with the use of pump lifting chains. In the first case a hook came apart from a chain block after it had corroded through being left suspended under load. The second incident was linked to incorrect use of the equipment resulting in the chain block coming apart. The third incident involved the uncontrolled release of a hazardous substance at a Water Treatment Works when a PVC pipeline shattered at a bend.

In all cases thorough investigations were carried out to determine root causes and safety alerts were shared across the organisation and our partners to share learning.

## Near hit reporting

We have previously focussed on encouraging employees and partners to report near misses and have defined them as 'an event or incident that had the potential to cause harm, without actually doing so'. Each report is investigated and the resulting information is used to notify others of potential risks and to revise safe working processes and procedures.

During 2011-12, 1,161 near misses were reported. This is significantly more than the previous year (259). During the last 12 months we re-launched the near miss reporting hotline and provided a single phone number for colleagues to use.

We also strengthened this by ensuring that unsafe acts and unsafe conditions were also identified and actions are taken to prevent injuries. As a result 5150 unsafe acts and conditions were also reported during the year.

## Reportable diseases

There were no incidents of reportable disease recorded in 2011-12.

## Enforcement actions

There were no enforcement actions taken against Welsh Water during 2011-12.

## HSE Proactive Intervention

The HSE met with Welsh Water in March 2011 following the restructure of the Company. Following this meeting it was agreed that we would participate in an HSE audit of our new Health and Safety Management System. We have been working with HSE over the last 12 months to develop arrangements for this and to increase their understanding of our new organisation.

This audit took place in April 2012, with largely positive findings. We have identified some areas of improvement, primarily linked to our asbestos management plan where we will work to make further changes over the next year.

### Monitoring days lost due to illness

Welsh Water records ill health absence with particular reference to seven specific risk areas: repetitive strain injury related absences, back related injuries, other muscular skeletal disorder related absences, HAVS (Hand Arm Vibration Syndrome) related absences, gastro intestinal infections, stress related absences and non-work related upper respiratory infection absences.

This is in line with the areas defined as part of the Water UK Clearwater 2010 programme, which was established in 2000. Clearwater 2010 was supported by all of the UK's water companies to improve the occupational health of the 240,000 direct and indirect workers in the water industry.

It was designed to demonstrate that water companies are responsible employers through a ten year commitment to improving industry performance against seven monitored risks, five of which are specifically work related. It also formed the basis of the occupational health measures that are reported in the Ofwat annual returns.

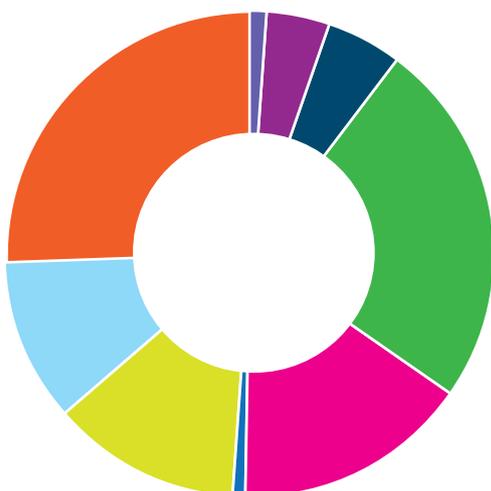
In 2011-12, 25,198 days were lost as a result of illness amongst the 3,887 Welsh Water and Partner employees (2010-11: 21,870 days; 3,938 employees), giving an average days lost per employee of 6.48 (2010-11: 5.55). This is an area we need to focus on during the next year to ensure we are effectively managing absence and supporting employees and contractors to return to health and work.

### Conclusion - performance data and future challenges

The performance detailed in this report shows that Welsh Water has shown improved performance in several areas over the year following significant business change. However, there is more work to do to improve our focus on ill health and sickness absence management.

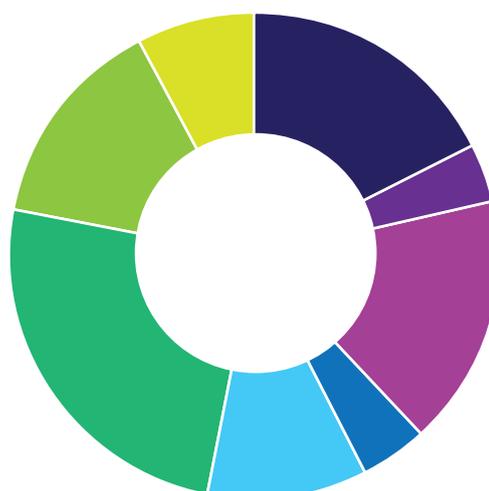
Our goal for 2012-13 is to continue this improving trend and, in particular, to drive down the number of avoidable incidents where human factors are significant contributory factors. Behaviour and human factors will continue to be a significant theme within our Annual Health and Safety Conference and improvement activities for 2012.

Causes of Injury



- Slipped, tripped or fell on same level
- Handling, lifting or carrying
- Other
- Hit by moving object
- Hit by something fixed or stationary
- Exposure/contact with a harmful substance
- Hit by moving vehicle
- Fell from height
- Contact with moving machinery

Body part injuries



- Hand/finger/wrist
- Leg/knee
- Head/neck
- Foot/ankle/toe
- Arm/elbow/shoulder
- Back
- Eyes
- Chest

# Recognising excellence and achievements

## Health & Safety Conference

In June 2012 Welsh Water will hold its sixth annual health and safety conference. Last year, over 300 individuals, including executive and non-executive directors, senior managers, safety representatives and health and safety specialist from across the business, attended the fifth conference in June 2011 which was sponsored by insurers Mitsui Sumitomo.

This event built on previous conferences, (which launched our 'Journey to Zero' strategy – and our ambition of achieving no reportable accidents), and concentrated on the behavioural aspects of improving occupational health and safety. Guest speakers explored the importance of workforce involvement in health and safety, differing perceptions of risk, effective communications and the consequences of decisions. Delegates were also invited to think about leadership behaviours and the impact of peer pressure on behaviours. Guest speakers included: Daniel Shears (GMB), Steve Carver (Cranfield School of Management), Ian Harper (Qesh Management) and Tim Marsh (Ryder Marsh). The conference also featured an exhibition of Health and Safety Innovation ideas that were voted on by the conference delegates. This event was also our platform to present the Welsh Water annual awards to recognise OHS Excellence.

## Excellence awards

Introduced in 2007, the Welsh Water Occupational Health and Safety Excellence Awards recognise excellent performance in occupational health and safety by Welsh Water and its contract partners. Each year there are three business awards for health and safety excellence – an overall winner, highly commended (runner up) and commended (2nd runner up) – and an award for individuals and teams nominated to recognise an 'outstanding contribution to health and safety'; and 'best innovative idea'. These five awards are a regular feature of the Welsh Water's annual Health & Safety Conference.

Award winners at our 2011 event included Costain who were recognised for the second year in a row for their consistent and comprehensive commitment to occupational health and safety and in particular their continued drive for continuous improvement. Their innovative initiatives for behavioural safety, occupational health risk assessment and management, along with health promotion, were clearly seen to be making a real difference. Allied to this was Costain's demonstration of active employee involvement throughout all aspects of its health and safety management process which was clearly having a positive impact upon their employees and partners.

The Award for Best Innovative Idea was judged by the conference delegates at the event. All entrants displayed their ideas and showed what they had done to further improve their health and safety. These ranged from safety management systems to sickness absence reporting phone lines. The clear winner on the day was the Welsh Water Hazardous Meter Project Team. The team used remote sensing technology to reduce the risks from reading water meters. This simple idea prevented employees from having to access confined spaces or work in the highway to take meter readings.

The Outstanding Contribution Award went to a Costain employee who showed commitment to the health and safety cause way above the call of duty. As well as carrying out his day to day role as Works Superintendent, they had actively taken on a mentoring role for other members of the construction team with particular focus on health and safety. Their enthusiasm and ability to effectively communicate the safety message, has underpinned Costain's successful implementation of their behavioural based safety initiative with this employee taking on the role of a Costain Behavioural Safety Champion.

**External recognition**

Welsh Water was recently recognised by the Swansea and West Wales Occupational Health and Safety Group. We were awarded for ‘outstanding safety performance and innovation in safety training and excellence in occupational health and wellbeing provision’. We were also awarded the Presidents’ Shield for Innovation in Safety Training.

These were welcome external recognition for the improvement programme that we delivered during the year. Our submission was judged by a panel of health and safety professionals which was chaired by a member of the Health and Safety Executive.’

*A number of our partners have also received external recognition in the last 12 months for their achievement in occupational health and safety. These include:*

	<b>RoSPA</b>	<b>Order of Distinction</b>	Costain (awarded for 2 projects)
	<b>RoSPA</b>	<b>Gold medal</b>	For 5 years consecutive gold awards Costain (awarded for 6 projects)
	<b>RoSPA</b>	<b>Gold award</b>	Morgan Sindall, Black & Veatch, Peter Duffy, Costain (awarded for 22 projects)
	<b>RoSPA</b>	<b>Silver award</b>	Morgan Sindall, Costain (awarded for 10 projects)
	<b>IOSH</b>	<b>Innovation award</b>	Veolia for Polestar meter reader
	<b>NJUG 2011</b>	<b>Safety award</b>	Veolia
	<b>Considerate Contractor</b>	<b>Gold Award</b>	Morgan Sindall



# Occupational health and safety (OHS) management system and risk

## **OHSAS 18001:2007**

OHSAS 18001 is based on establishing and maintaining a formal occupational health and safety management system to ensure a structured, systematic approach to occupational health, safety and risk. For more detail see Appendix 3.

Welsh Water first obtained the OHSAS 18001:1999 standard in 2007-08, and in February 2009 we satisfied the requirements of the external awarding and accreditation body and was awarded the OHSAS 18001:2007 international health and safety management systems standard. This underpins the management framework for occupational health and safety used throughout the business. Moving to the new standard meant improved alignment to ISO 18001:2004, and a significant increase in scope - particularly in relation to the management of Welsh Water's service partners and the management of risk associated with ill health and the promotion of wellbeing. During 2009-10, Welsh Water's environmental education centres which receive some 14,000 pupils a year were brought within the scope of OHSAS18001 certification.

Re-accreditation of the existing system was successfully achieved in January 2012 and work took place during 2011-12 to bring together all the operational management systems so that this scope of this standard includes our largest Water and Waste Treatment Works which better reflects the new organisation. This has included a programme of reviewing and refreshing all policies and procedures to ensure that they are fit for purpose. A programme of planned document reviews is in place for the next 12 months.

## **How we manage OHS risk**

Underpinning our management system is an internet-based tool developed for recording and reporting on injuries, incidents, and illnesses. This system has been operational since April 2008 and is used for performance trend analysis and to track progress on the delivery of health & safety action plans ('roadmaps') under the company's continuous improvement programme. The system was further developed in 2009-10 to record details of the internal (cross partner) audits that are carried out each year and to track completion of actions assigned to named individuals arising from these audits.

All incidents must be immediately reported and investigated by relevant line managers. Partner organisations are required to provide monthly OHS performance data directly into the online system, and illness and absence records are maintained by the HR departments and include a cause of absence code. In this way the collection of incident, injury and illness data is consistently applied across the business.

We have developed and improved the quality of our internal performance reports over the last year to ensure that meaningful data is presented and areas for improvement are clearly identified. This has included the separation of employee and contractor data and the inclusion of other contractors and suppliers alongside the main partners.

## **Promoting good practice**

The following illustrates specific actions taken in 2011-12 to mitigate OHS risk.

**Safety days:** During the year we held several safety days. These focussed on highlighting risks, sharing best practice and engaging employees to think about what they can do to 'make a difference'. Senior managers were involved in leading briefing sessions and several of the Directors participated in events on sites.

**Safety alerts and bulletins:** 79 health & safety alerts, bulletins and briefings were issued during 2011-12, covering issues from lifting equipment failures to danger due to cable thefts. These are distributed across the business, including contract partner organisations, and are used to highlight areas of potential risk to staff occupational health & safety. Alerts can originate from both internal and external sources.

## **Personal Health and Safety**

**Objectives:** all employees have health and safety objectives included within their annual objectives and personal development plans. These are reviewed as part of regular performance discussions.

**Management of Road Risk:** Driving is one of the more significant risks faced by Welsh Water employees, and last year, we supported the Transport team to develop a new process for employee risk assessment and training. Employees who drive are all being invited to complete a new online risk assessment and tutorials and tailored driver training sessions are available to them. In addition we are reviewing the arrangements for mobile working and using an ergonomic specialist to review the new vehicles we are purchasing for mobile working.

**Personal Protective Equipment (PPE):**

During 2011 we agreed and set a clear minimum standard of PPE to be worn on all operational sites. Alongside this we set up a new PPE contract with Liscombe and purchased new branded work coats, fleeces and polo shirts for all employees to wear when going out on sites or visiting customers.

**New H&S Handbooks, Golden Rules and the Rule of 2:**

We have produced and issued new H&S handbooks to all employees containing a series of simple Do's and Don'ts for the most common H&S risks. We have also clearly set out our Golden Rules for health and safety. These are the rules that are most important to us and they are being reinforced by the new monthly E-Quipped team brief items as well as through the company magazine. We have also set minimum timelines for reporting and investigating serious incidents (the Rule of 2) this will help us to learn quickly from failures and prevent future injuries.

**Asbestos Management:** We have reviewed and updated our asbestos management plans. We are also in the process of recruiting two new internal roles to carry out asbestos condition surveys and monitoring of our assets.

**New Activities:** We have ensured that any new in sourced activities during the year have suitable health and safety arrangements in place. During 2011-12 this has included the transfer of sampling and laboratory facilities into Welsh Water, the integration of the New Developments team and the management of private sewers.

**OH&S training**

**IOSH Training:** We have continued to use IOSH accredited training courses to ensure all managers clearly understood their health and safety responsibilities.

**Risk and Role Specific Training:** In the last year we have developed and delivered several new training courses including risk assessment, accident investigation and managing contractors. During 2012-13 we are developing mandatory training requirements linked to all business roles. This will become an integral part of employee progression and remuneration for the future.

**E-Learning Modules:** In March 2012 we launched a new E-Learning system for health and safety awareness training. Four modules were launched covering fire, electrical safety, asbestos and legionella. These were issued to all employees for completion. We will be monitoring the success of this mode of learning and build on it during 2012-13.

**Training provided by Welsh Water's service partners and contractors:** Welsh Water takes this seriously and monitors the OH&S training provided to individuals who (directly or indirectly) deliver services to Welsh Water's customers through our programme of proactive roadmap action plans.

In 2011-12 this included, in different combination for each service partner relative to the activities undertaken on behalf of Welsh Water by that business:

- » Control of substances hazardous to health (COSHH)
- » Induction training
- » Management of Road Risk individual assessments
- » Full and Emergency first aid training
- » Stress awareness training
- » Training for emergency drills, procedures and communication
- » Awareness of drug and alcohol risk and issues
- » Training in health & safety for team members on site inspection system
- » Unit assessment system training
- » Fire warden/fire evacuation and fire awareness training
- » Asbestos awareness training
- » Legionella awareness training
- » Electrical awareness training
- » Contractor management and Permit to Work / Certificate of Isolation training
- » Risk assessment training
- » Accident and incident Investigation training
- » Use of incident reporting systems training
- » Manual handling training
- » Display screen equipment training

# Occupational health & wellbeing

*As part of our commitment to improving occupational health and safety within Welsh Water we have utilised the services of Health Management Limited (HML) during 2011-12 to provide proactive and comprehensive Occupational Health (OH) services to all our employees.*

The aim of the service is to:

- » Implement comprehensive occupational health programmes that, as a minimum, meet the requirements of appropriate legislation and recognised best practice.
- » Increase awareness of all employees in general health issues, which in turn will encourage employees to make informed choices about their lifestyles and working practices.
- » Emphasise the fact that Welsh Water care about its employees' health, safety and welfare.
- » Assist Welsh Water in helping employees return to work following illness, accidents or general sickness absence. Ensuring that employees are fit for role.

Welsh Water receives no confidential information from HML in respect of individuals - unless as the employer we are requested to make adjustments in the workplace to accommodate the circumstances of an individual member of staff, and then only where the individual expressly consents.

Monthly reports are produced by HML and reviews are held with them to identify trends and ensure that good support services are in place. 145 employees were referred to HML during the year. The majority of the referrals were for either musculoskeletal disorders or mental health issues (41% and 22% of closed cases respectively).

A programme of operational health surveillance was started in October 2011. The programme targeted 988 (primarily front line) operational employees. There was good attendance for the assessments and there were 154 referrals recommended from the surveillance for further follow up by the Occupational Health Advisers. These were reviewed and 87 employees have had an Independent Medical Assessment (IMA) to provide tailored advice. This will enable employees and the Company to manage health risks before they result in sickness absence.

The service will continue to support managers and employees during 2012 in the identification of health risks arising from work activities and issues that affect well-being and performance at work.

It will provide confidential and objective occupational health advice to allow the business to make timely and effective interventions to both support employees and enable managers to manage risks and reduce sickness absence. In addition the Company has a Employee Assistance Programme (EAP) that is available to all employees and their families. As well as providing information it includes free access to counselling sessions to support individuals to effectively manage their mental health and wellbeing.

Welsh Water service partners have their own arrangements for Occupational Health service provisions - based on the assessment of occupational risk by each employer. Activities include: risk based health surveillance, health promotion activities - such as skin cancer, well man and well woman campaigns, and employee assistance programmes.

# Governance

Welsh Water's OHSAS 18001 accredited safety management system defines the processes, policies, legal framework and structures that we have established to manage all aspects of our operation. It provides a 'governance' framework by setting out the responsibilities for the management of OH&S, and ensuring we remain focused on the accountability of individuals and teams within the business - using both reporting structures and formal management systems to identify and control any operational or other business risks.

Good governance also requires us to have proactive, open and transparent reporting relationships with key stakeholders. In this respect, key stakeholders include the community we serve, Welsh Water's regulators, supply chain partners and government, as well as all staff across the business.

## Monitoring performance

Our arrangements to review occupational health and safety performance are described in the Organisational Structure chart in Appendix 1.

Monthly reports are produced and reviewed by the Executive and the Board QEC committee.

**Health and Safety Steering Group:** Monitoring and review of overall occupational health and safety performance and progress against improvement initiatives is undertaken during bi-monthly meetings involving the Director responsible for health and safety and other selected Directors and senior managers.

This group was established in April 2011 and has ensured that sufficient business focus is kept on improving health and safety.

## Main contract partner performance reviews:

Monitoring and review of contractor occupational health and safety performance is undertaken during quarterly meetings between Welsh Water's Health and Safety Improvement Manager and the Health and Safety Managers of our main partner organisations. This group reviews progress against roadmap action plans, together with details of any reactive events such as accidents and incidents. Audit reports are also reviewed and checks made to ensure that any corrective actions have been closed out within agreed timescales. Any lessons learned from this joint process are shared and best practice within the wider business is discussed and, where appropriate, widely disseminated.

## Welsh Water's Health and Safety Consultation Forum:

The Trade Union consultation group meets quarterly to review policy and procedure and performance and to consider opportunities for further improvements to our management arrangements. Chaired by the Operations Director, the committee links back to the Welsh Water Health and Safety Steering Group, which approves priorities and, where required, the release of resources.

## Reporting our performance

A monthly report is prepared for the executive management team, which is also submitted as a standing agenda item to the Board and the Quality and Environment Committee (QEC).

In addition to performance, this report addresses key issues of policy and procedure, training and regulatory engagement and communication. QEC also reviews and endorses the annual occupational health and safety report before it is published at the annual general meeting.

A high level monthly performance dashboard is produced and shared widely for use on company notice boards. There are also Water and Waste specific reports that are cascaded through line management to support performance monitoring and management locally

## Roadmaps - continuous improvement plans

In 2011-12, all Welsh Water teams set up a team specific Unit Assessment. This identifies the health and safety risks and management controls that should be in place for that team.

The Unit Assessment covers a 3 year period and is reviewed monthly to ensure that team procedural briefings are delivered and that risk controls are in place. The outcome of monthly reviews is included in the performance reports.

Welsh Water main contract Partners have continued to establish and deliver annual health and safety improvement 'Roadmaps'. In 2011-12 the 15 main partners had 62 roadmap initiatives in place. At the end of the year the average completion of roadmaps was 96%. Welsh Water's incident tracker continues to be used to record and track the progress of all roadmap initiatives.

In 2011-12 these focused on:

Behavioural safety	WITH EMPHASIS ON	Compliance with law/our systems
Staff training and awareness		Control of contractors
Site and works inspections		Managing illness absence
OH&S audit		Reducing injury loss time
Occupational health		Developing a safety culture
Procedural and Document Review		Gaining OHSAS 18001 Accreditation

### Cross partner audits

Under Welsh Water's programme of cross partner audits, each main partner is periodically audited by two of their peers. In 2011-12, 30 audits were completed. Since 2001, there have been 350 such audits, with each service partner audited at least twice per year. Cross partner audits are viewed as being good practice in multi company delivery alliances and arrangements in Welsh Water have been commended by the HSE in a research report (No. 462).

*"The regular auditing of H&S practices on projects is essential and should be aimed at engaging everyone in continuous improvement. Audits are normally carried out by H&S teams from the client or contractor's Head Office or by independent organisations. However, the practice of cross auditing by other members of the Dŵr Cymru Welsh Water Alliance appeared particularly effective and worthy of greater use. The recognition of extent to which an individual site shares its H&S best practice with others is innovative and valuable.*

Cross audits demonstrate a high level of conformance with Welsh Water policy and procedures, but this is not the main benefit. Through these audits Welsh Water gains a long term view of the health and safety competence of all its partners and, by allowing health and safety professionals to take on the role of auditor, which gives them an unprecedented view of health and safety procedures and processes in other organisations, there is considerable sharing of good practice and cross fertilisation of ideas.

### Insurance audit reviews

Welsh Water takes pride in its close working relationships with its service partners and has extended this good practice to encompass other service providers, like Mitsui Sumitomo, who provide Employers Liability insurance for the business. This working relationship and programme of insurer audits yield benefits for both parties; Mitsui can review Welsh Water and its service partners and their systems to clearly understand the risk in the business,

and Welsh Water benefits from Mitsui's work with other clients who might have different procedures for minimising losses. A programme of insurer audit visits is proposed by Mitsui each year having regard to Mitsui's assessment of key risks.

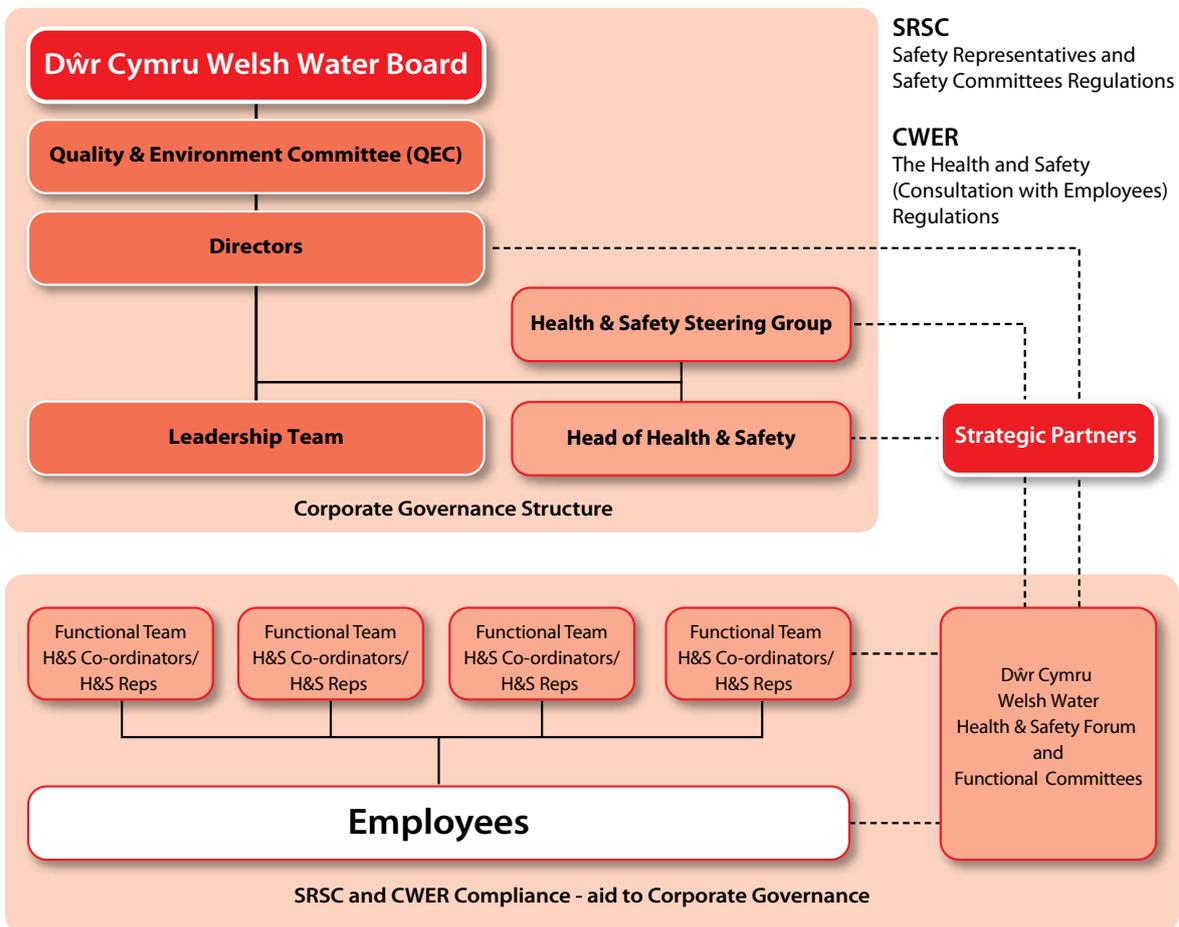
### OHSAS18001 audit

Each year, the OHSAS 18001 occupational health and safety management system is subject to audit every six months by the external accreditation body. In addition, Welsh Water has established a programme of internal audits, which are designed to identify any opportunities for improvement.

# Appendix 1

## Occupational Health and Safety Organisational Structure

*Our OHSAS 18001 accredited occupational health and safety management system defines the processes, policies, legal framework and structures that we have established to manage all aspects of our operation. It provides a 'governance' framework by setting out the responsibilities for the management of OH&S, and ensuring we remain focused on the accountability of individuals and teams within the business - using both reporting structures and formal management systems to identify and control risks to the operation of Welsh Water.*



# Appendix 2

## Occupational Health and Safety Contract Management

*The following is a general description of the occupational health and safety contract management system developed by Welsh Water. This continues to evolve over time as best practice changes.*

### **Selection of contractors**

Before any contractor is appointed to work for Welsh Water a health and safety competent adviser or appointed agent will review a pre-qualification questionnaire completed by the contractor. Part of the assessment process may necessitate a visit to the contractor's offices and interviews with their management team and safety representatives.

### **Setting performance targets**

At the earliest opportunity following the appointment of main contractors and partners Welsh Water's Health and Safety Improvement Manager will meet the organisation and agree a 'roadmap' action plan. This outlines a range of company specific health and safety improvements and objectives; delivery of which forms part of the contract. Roadmaps are based upon a joint assessment of the occupational health and safety risks, and will include both quantitative and qualitative targets. Roadmap action plans are reviewed and updated on an annual basis.

### **Monitoring performance**

Performance monitoring will involve both pro-active and re-active monitoring arrangements.

### **Pro active**

**Performance reporting:** progress against Roadmap objectives is reported on a monthly basis. There are quarterly meetings with contractors to ensure focus is maintained on all occupational health and safety matters, to share best practice and learning and to reinforce Welsh Water's commitment to high standards of occupational health and safety.

**Best practice groups:** appointed main contractors are invited to join a health and safety best practice group (or similar arrangement) and share knowledge and information with other contract partners.

**Peer group cross auditing:** the best practice group will agree an annual health and safety audit programme and undertake a series of internal cross auditing, whereby one or more contractors audits another in their peer groups and shares lessons learned. This cross audit also forms part of Welsh Water's continuous improvement programme to identify and manage occupational health and safety risks, and the results of the audits will be considered as a performance measure together with the roadmap action plan.

**External audits:** an approved health and safety specialist is engaged by Welsh Water as part of the insurance risk management programme to undertake independent external audits of capital contractors at intervals of not less than every three years. The results of these audits are fed back to the contractor.

**Health and safety workshops:** where new contractors have been appointed Welsh Water has used contractors workshops to set company expectations, share health and safety best practice and facilitate cross – contractors learning through the sharing of their approach to health and safety risk management.

### **Reactive performance reporting**

Main contractors are required to submit, on a monthly basis, details relating to the following:

- » Reportable injuries/disease
- » Minor injuries
- » Dangerous occurrences
- » Enforcement action/contact from Enforcement agents
- » Near misses/hits
- » Lost time from work related ill health

This information is discussed at routine review meetings and used to assess whether the pro-active measures are having an impact on reducing the accident/incident rates, and assist with trend analysis.

All other contractors are actively encouraged to use the Welsh Water near miss hotline to report near misses, unsafe acts and conditions that arise while they are working on behalf of Welsh Water. This hotline service has been extended to ensure that it can be contacted 24 hours a day, 7 days a week. These are all reviewed on a monthly basis and any key learning points are shared via the use of Safety Alerts and Bulletins.

**Contract review**

Regular feedback from Welsh Water on occupational health and safety performance is included in contract manager meetings, and a formal review of the contractor's health and safety performance is undertaken each year.

Should there be any concern that a contractor is under performing, notice will be served on the contractor requiring improved performance within a specified, but reasonable, timescale. Over and above any contractual remedy available to Welsh Water, should a contractor fail to positively respond then it may be removed from Welsh Water's schedule of approved contractors. This prevents such contractor from qualifying for further work until such time as Welsh Water considers arrangements have been put in place to address those concerns.

In certain extreme circumstances, where it has become evident that the contractor is unable or unwilling to effectively manage the health and safety risks, Welsh Water has reserved powers of 'Step In' under which it may take direct management control of any contract.

**Major incidents**

All major incidents must be reported immediately to Welsh Water's Client Manager and Head of Health and Safety, and our process of accident investigation and reporting followed.

In the event of a major health and safety incident, Welsh Water reserves the right to determine whether to appoint independent specialist investigators to establish the root cause, and conduct a review of existing management systems to prevent or mitigate the risk of similar incidents. All relevant managers and contractors would be required to assist the appointed investigator, and any resulting proposed actions must be agreed with Welsh Water.



*Safety day at Llyswen*

# Appendix 3 Appendix 4

## OHSAS 18001: 2007 Industry reporting

Occupational health and safety assessment Series 18001:2007 (OHSAS) is the assessment specification for the Welsh Water occupational health & safety management system. It is designed to consistently identify and control health and safety hazard and risk, reduce the potential for accidents, aid legislative compliance and improve our overall performance.

The following key areas are addressed by OHSAS 18001:

- » Planning for hazard identification, risk assessment and risk control OHSAS management programme Structure and responsibility
- » Training, awareness and competence
- » Consultation and communication
- » Operational control
- » Emergency preparedness and response
- » Performance measuring, monitoring and improvement

This certification process, and subsequent regular compliance audits to maintain the certification, will ensure that we continue to take effective measures and implement the necessary rigorous controls to identify and manage the health and safety risks associated with our business activities.

SGS UK is our independent assessment and accreditation organisation that undertakes the bi-annual audit programme.

Each year the UK's water companies have been required to submit a report to the industry regulator Ofwat on its health and safety performance – this includes occupational health and safety performance data for core employees and partners – commonly referred to as 'Table 41'.

In addition, Ofwat has previously selected one or more occupational health and safety specific topics on which all companies must report. As part of their review of regulatory burden, no topic reports were required for 2011.

All performance data submitted to Ofwat is available to the public and can be viewed on their website.

From 2012, there is no specific requirement to submit health and safety data to Ofwat. However, the Company will continue to collate and review this data as part of the annual performance review process.