



Occupational Health & Safety

# Annual Report

Year ended 31 March 2015

A large, solid blue water drop graphic that tapers to a point at the top and widens at the bottom, containing the text 'SAFE at all times' in white.

SAFE at  
all times

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# Overview

Welsh Water is the sixth largest of the ten regulated water and sewerage companies in England and Wales. Responsible for providing over three million people with a continuous, high quality supply of drinking water and for taking away, treating and properly disposing of the wastewater that is produced, we are fully committed to delivering best quality service at least possible cost. These essential public health and customer services (and the ancillary activities that support them) are delivered by over 5,000 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 always a key priority and a big responsibility. We operate 66 impounding reservoirs and supply an average 828 million litres of water every day through a network of 26,500km of water mains. We also collect waste water (including surface water and highway drainage) through a network of 30,000km of sewers, which is treated at 838 wastewater treatment works located next to rivers and along the coast of Wales. We are operating, maintaining and upgrading these assets and their associated pumping stations on a daily basis.

The financial year ended 31 March 2015 (2014-15) saw us consolidate and further improve our health and safety management systems and processes. It was the fifth year of the regulatory period ('AMP5') and during this year we completed many capital improvement projects while undertaking the process of selecting our partners for the next 5 year period ('AMP6'). In 2009-10, only 220 people were directly employed by Welsh Water, but following all the changes Welsh Water now has over 2,500 employees in the core business along with over 400 in the Dwr Cymru Customer Services business.

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

## Safety performance

In 2014-15 we have continued to see improvements in our safety performance with our lowest number of RIDDOR injuries ever. There were fewer HSE reportable injuries compared to 2013-14 and both the Reportable Incident Rate (RIR) (including reportable injuries, diseases and dangerous occurrences per 100,000 employees) and the Non-Reportable Injury Rate were both lower than last year. In addition, the number of working days lost due to injuries also reduced during the year. All Lost Time Injuries (LTIs) are still subject to additional focus to ensure that we are managing absence effectively and supporting employees.

During the year we have continued to encourage our employees and contractors to make Positive Interventions and take action where there are Unsafe Acts or Conditions observed. We place emphasis on these leading indicators as a precursor to a positive safety culture. Over 17,500 interventions have been reported, which is a 66% increase on the number recorded during 2012-13.

There have been some significant near misses reported during the year. These have included plant incidents on construction sites, management of pressurised pipelines and some issues with hydrogen sulphide emissions at one of our Waste Water sites. All of these incidents were thoroughly investigated and process changes/ additional controls implemented, as appropriate. We will continue to encourage the reporting of significant incidents and will treat them seriously to ensure we are learning from them to effectively manage risks.

Our safety performance has continued to improve while we have increased the average number of employees and contractors working for us by 8% with a 5% increase in hours worked. However, we cannot be complacent and will continue to ensure that we are making Positive Interventions to prevent injuries and that all employees and contractors are taking action.

## Health performance

We have continued to work closely with our Occupational Health service provider to monitor and improve employee health and wellbeing during the year. Working alongside Human Resources, this service enables managers to obtain information and support to manage ill health and support employees with long and short term sickness absence.

The Human Resources and Health and Safety teams have also worked together during the year to support managers and further improve our attendance management and monitoring systems. This has included a review of our workforce demographics and identifying future health challenges.

A programme of targeted occupational health surveillance for Welsh Water employees has taken place. Over 800 operational employees were initially targeted for screening and following on from these assessments 42 employees were referred to the Chief Medical Officer for further advice. This is fewer than last year (where 81 employees were referred) and this programme has enabled us to effectively support employees and to identify and manage potential health risks before they become ill health absence issues.

We have seen a further reduction in working days lost due to illness resulting in our lowest rate over the last 9 years. This is an area we will continue to focus on with both our own employees and our contract partners. We are determined to continue to ensure that employees remain fit for work and will be focussing on attendance and absence management as part of our 2015-16 improvement plans. In 2013 we signed up to the Department of Health Public Health Responsibility Deal and pledged to support those employees with chronic conditions to remain well and in work. During 2015 we also signed up to their new 'Alcohol in the workplace' pledge at the same time as we launched a new Drug and Alcohol company policy and E-learning awareness programme.

Alongside these improvements will completed a full review and retendering exercise for our main occupational health provider, our occupational health surveillance provider and our employee assistance programme during 2014 to ensure we are getting the best services for our needs.

### **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 and report back to the Quality and Environment Committee of the Board (QEC) on progress. The strategy provides a clear framework for how we will achieve our vision to be the best (our 'Journey to Zero') and aims to ensure that good occupational health and safety practice is embedded across the business.

The last review of our health and safety performance was held with the Board in June 2014 and we were able to demonstrate good improvements against all the identified areas for focus as part of our AMP5 strategy. Specific activities during the year have been:

**Health and Safety Steering Group** – this group meets 6 times a year and is led by the Chief Operating Officer, as the Board Director leading on health and safety. It is attended by key operational Directors and Head of Service. The group gives direction and support to ensure that we are effectively managing our health and safety risks and driving continuous improvement.

**Leadership Team Safety Conversations and STEP Training for Line Managers** – during the year we have trained another 100 operational line managers and supervisors in safety culture (300 now trained in total) and the leadership team managers have been undertaking quarterly safety conversations across the business. We have branded this safety culture programme – STEP – Safety Takes Every Person – and have also trained a further 70 employees as cascade trainers during the year to deliver operational workshops.

**Trade Union Health and Safety Forums** – these are held quarterly and enable Directors and senior managers to work closely with Trade Union H&S Representatives to ensure that we are actively involving our workforce in developing and reviewing our health and safety performance and improvement plans. This group has reviewed all serious injuries and the investigations arising from them to ensure that we are sharing learning and identifying root causes effectively.

**Pristine Condition Bespoke Manual Handling Training** – we have trained over 2,000 employees including our office based teams in the principles and techniques of ergonomic handling best practice linked to their roles. We currently have 171 Traca Coaches in place to monitor and reinforce best practice and they reported 2225 Traca observations during the year.

### 2014 H&S Conference and Awards

– again this event was attended by nearly 300 employees and contractors and allowed people to showcase best practice and share new ideas. This has now become the highlight of our health and safety awareness programme and the 2015 event will focus on the 'Next Steps' in our health and safety improvement journey for AMP6.

### Safety Communications and

**Awareness** – our annual employee engagement survey continued to show very high scores for health and safety. 96% of all our employees were clear what was expected of them with regard to health and safety and 92% believed that health and safety is taken seriously at Welsh Water. Delivery of our annual programme of monthly toolbox talks and regular safety days has kept the focus high and employees actively engaged in making improvements. During 2014 our programme was focussed on Slips, Trips and Falls, Manual Handling and our STEP improvement campaigns.

**Working with our Partners** - we have continued to work closely with our contract partners during the year. Alongside quarterly health and safety forums with our main operational and capital partners we have engaged our wider supply chain to share our aspirations and their best practices with their peers. The H&S team have worked alongside the operational and capital teams to ensure a smooth transition and to assess the new capital partners for our AMP6 programme.

### Safety Takes Every Person – Our Safety Culture Challenge

In previous annual health and safety reports we have highlighted that we believe that we experience too many avoidable injuries. We recognise the importance of human factors as contributors to incidents and have continued to focus on improving our business culture and behaviours. This has been clearly articulated in our Company Values and Code of Conduct where we expect everyone to ensure that we are 'Safe at all times'!

The avoidable incidents that we experience include slips, trips and falls on the same level, or by handling, lifting and carrying – incidents where we need to ensure that we are effectively identifying and addressing the root causes. These injuries are not good for employee health and well being and also affect the operating efficiency of the business. During 2014-15 22% of all injuries were due to slips, trips and falls and 25% were linked to manual handling, lifting or carrying activities. 10% of all Welsh Water employee sickness absence in the year was due to musculoskeletal problems (caused either in or outside work) and so these remain an area of focus.

Alongside the Pristine Condition training, operations teams have reviewed their risk assessments against the work activities within different teams.

Human Resources have also mapped employee fitness requirements against individual roles ('task analysis') so that we can better assess employees' abilities when they are referred to occupational health with musculoskeletal (and other) illnesses and disorders. We focussed on both manual handling and slips, trips and falls with our awareness campaigns and improvement projects during 2014.

We have encouraged senior managers and employees to have more safety conversations. We have been monitoring the number of conversations held, the teams and areas visited and the good practices and areas for improvement identified.

We have also devised and delivered a safety culture training programme for operational managers and supervisors in our Water, Waste and Capital teams. This has been badged as our STEP (Safety Takes Every Person) programme. During 2014 we developed and delivered a 'train the trainer' module for 70 operational colleagues, providing materials and tools for them to deliver short awareness workshops for all operational employees.

### Governance of OHS

Welsh Water has an occupational health and safety management system that is certified to the internationally recognised OHSAS 18001:2007 standard. This was subject to independent surveillance audits during May and December 2013 (conducted by SGS UK Ltd).

OHS performance is detailed in a monthly and quarterly performance reports which are 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 use the Institute of Directors and HSE 'Leading Health & Safety at Work' guidance as a benchmark for Board involvement in this key area.

During the year we specifically conducted an internal review into the management of the 'Top 10' health and safety risks associated with Welsh Water activities. The findings from this review was shared with the Executive and QEC and a rolling programme of major risk ongoing assurance reviews has been built into our AMP6 health and safety improvement plans.

We also 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 during 2014-15.

The report includes the performance of 13 main contractor organisations along with data from our wider contractor base.

Our aim is not to detract 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. However, we do 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.

#### **Health and Safety Executive (HSE) COMAH Audit and Process Safety Performance Indicators (PSPIs)**

During May and October 2014 the Health and Safety Executive (HSE) conducted two audits of our management controls at one of our Water Treatment Works which is a Lower Tier COMAH (Control of Major Accident Hazards) site. HSE hazard scores of 20 were reported following both of these audits to reflect the fact that we are fully compliant in these areas.

#### **Priorities for 2015-16**

The priorities for the next year are to continue to manage and monitor our health and safety risks and maintain our health and safety management system accreditation; while delivering further business improvements. We will launch our AMP6 Health and safety improvement strategy at our June health and safety conference. This will focus on leadership and management, health and wellbeing, risk management, STEP and culture and contractor management.

Of key focus during 2015 will be working with our new occupational health and wellbeing service providers, further embedding our 'STEP' Safety culture programme and working closely with our partners and supply chain as we transition from AMP5 to AMP6. We will also be developing our competence and approach to process safety management, widening the management practices and learning from developing PSPIs for our COMAH site. We will also continue to monitor our 'top 10' health and safety risks.

We will work with the HSE in Wales as our regulator and ensure all improvements are effectively embedded within the business. We will also work with HSE and our fellow Water Companies nationally via the Water UK Occupational Health and Safety Group and the Institution of Occupational Safety and Health (IOSH); where our Head of Health and Safety is an IOSH Council member.

## Conclusion

Our safety performance has continued to improve during 2014-15 and we have effectively managed our OHS to protect the health and well being of the people who work to deliver services to Welsh Water's customers. We have had our lowest ever number of RIDDOR injuries alongside an increased workforce and levels of work activity. It has been particularly encouraging to see a sustained focus on reporting 'leading indicators' with employees and contractors making Positive Interventions as well as a reduction in the number and rate of injuries.

We were pleased to receive a Wales Corporate Health Award for our health and wellbeing activities last year. However, we know that there is more to do on health and wellbeing and also attendance management. This will continue to be a priority area during 2015-16 as we work towards achieving Silver status.

We are committed to delivering our AMP6 health and safety strategy, learning from others and working with the Health and Safety Executive and other regulators and the wider water industry.



Our challenge next year is to further embed our plans to improve our safety culture via our STEP campaign and continue to reduce the number of incidents relating to slips and lifting activities. We maintain our belief that everyone has the right to return home safely at the end of every day and strive to ensure that we are 'Safe at all times'.

**Peter Perry**  
Chief Operating Officer

# Review of performance 2014-15

This report details the occupational health and safety performance of Welsh Water, its contract partners and their main subcontractors in the twelve month period that ended on 31 March 2015.

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 and Laboratory 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.

## Performance data

During 2014-15 we saw further improvements in our occupational health and safety performance, shown in the table below. In 2011-12 we identified several contractors that had not been previously included in our performance metrics, but were having RIDDOR injuries while working on our behalf. Following on from this we widened our monitoring systems and have now incorporated these contractors into our performance targets.

During 2014-15 we have seen a further reduction in the total number of reportable injuries across Welsh Water and our contractors (down from 23 to 20).

There was also a reduction in the number of minor injuries and the number of working days lost due to injuries, alongside the average number of employees and hours worked increasing by 8% and 5% respectively, during the year.

In addition, these numbers do not take account of the hours worked by the many smaller companies who work for Welsh Water, while the performance data does include all incidents reported by them while working our activities.

The RIDDOR Incident Rate (RIR) (per 100,000 employees) for 2014-15 was 394 and the Accident Incident Rate (AIR) for all non-reportable injuries was 5,324. Both of these are improvements on the previous year and are lower than any of the last 8 years. There was also a reduction in the rate of working days lost due to injuries.

Incident Category	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
Reportable injuries	20	23	24	29	24	39	34	35
Non-reportable injuries	275	313	292	261	277	353	384	374
Dangerous occurrences	1	4	4	4	2	2	0	4
Near misses	2,574	1,986	2,224	1,174	259	678	761	537
Reportable diseases	0	0	1	0	0	2	1	3
Enforcement action	0	0	0	0	1	0	0	0
Days lost due to injury*	890	997	727	1,822	1,502	1,459	799	827
Days lost due to illness**	25,114	25,905	29,051	26,355	21,870	23,457	23,281	25,941
Average no. employees (FTE)	5,324	4,924	4,508	3,878	3,938	4,843	4,869	4,425
<b>Total Hours worked this year</b>	<b>10,538,730</b>	<b>10,077,398</b>	<b>8,969,199</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>

\*Days lost within the year, including any carry-over days from previous year

\*\*All illness, including non-work related absence

RIR – RIDDOR reportable incidents*	394	548	643	851	660	888	719	949
AIR – non-reportable injuries	5,165	6,357	6,477	6,730	7,034	7,289	7,886	8,451
<b>Work days lost to injury per employee</b>	<b>0.17</b>	<b>0.20</b>	<b>0.16</b>	<b>0.47</b>	<b>0.38</b>	<b>0.30</b>	<b>0.16</b>	<b>0.19</b>

\*Includes all RIDDOR Injuries, Diseases and Dangerous Occurrences

### Reportable Incident Rate (RIR) per 100,000 employees



### Injury days lost per employee



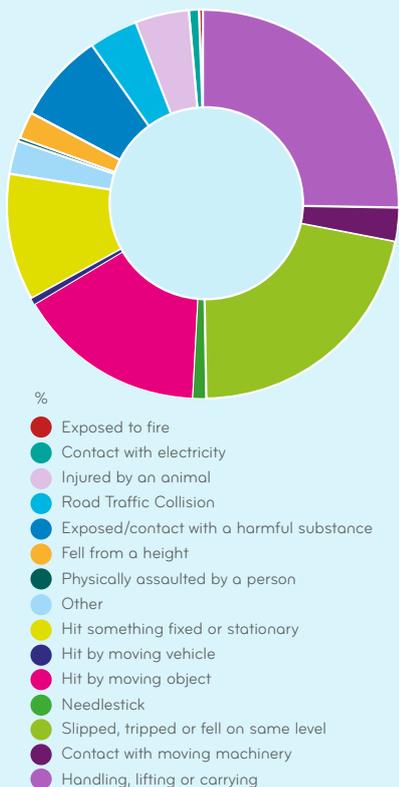
### Non-Reportable injuries rate per 100,000 employees



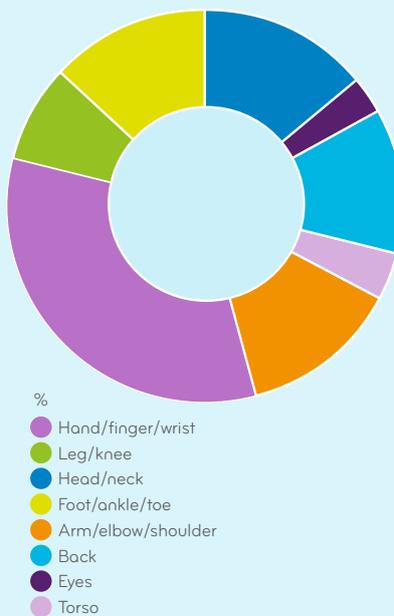
### Illness days lost per employee



### Causes of Injury



### Body part injuries

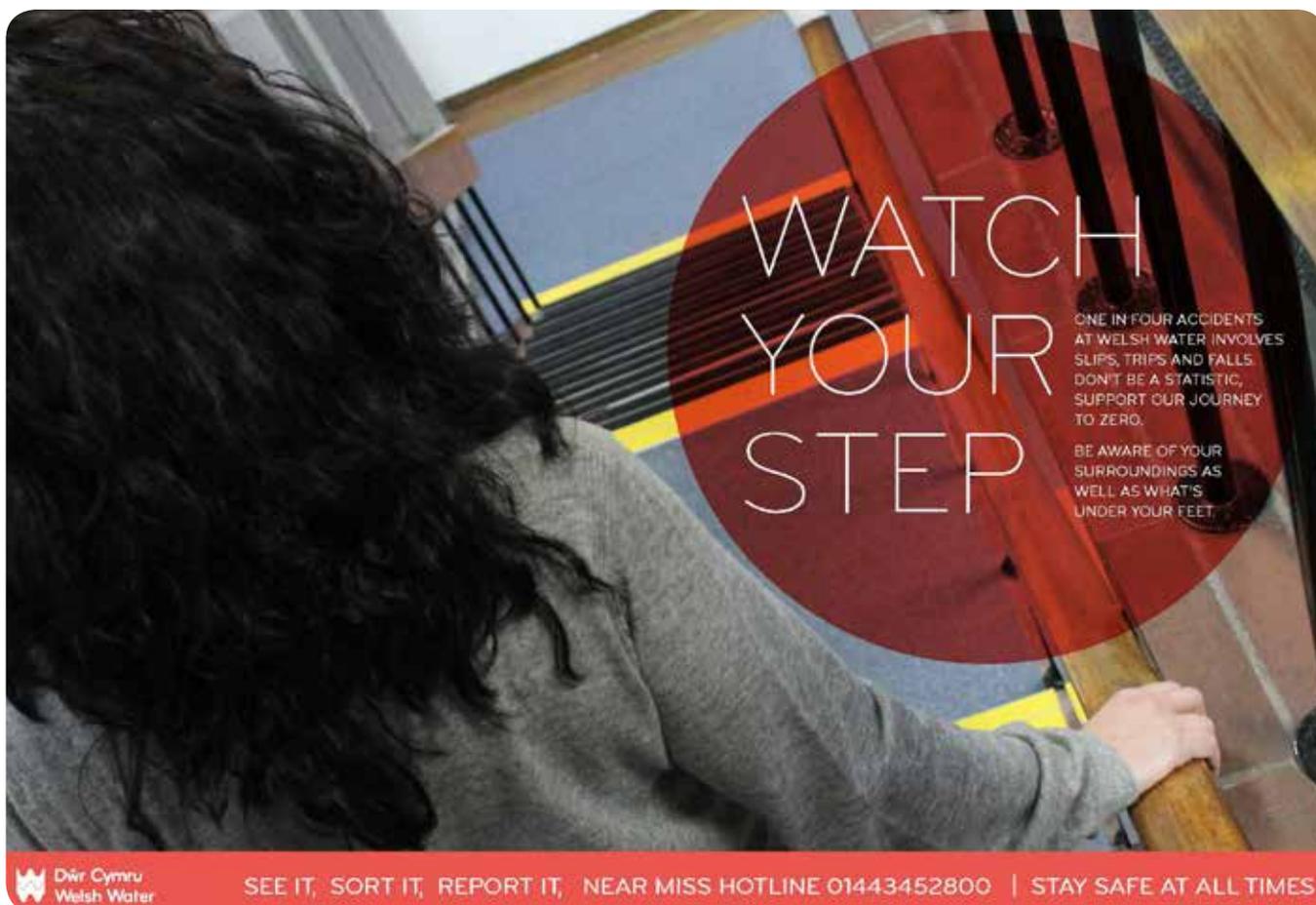


### Specified injuries to workers

Specified injuries to workers that require reporting to the HSE are defined in RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013) and are mainly concerned with work related accidents resulting in fractures, amputations, permanent loss/reduction of sight, serious burns, or loss of consciousness. This list was formerly referred to as 'Major Injuries' and was revised in October 2013 when the new Regulations came into force.

In 2014-15, 7 of the 20 reportable injuries were classified as major injuries/specified injuries. 4 of these injuries were to Welsh Water employees. Two were broken ankles resulting from slips and trips, one was a broken wrist from falling off a stepladder and one was fingertip amputation from attempting to catch a falling object. The other 3 major/specified injuries were to contractors working on behalf of Welsh Water. Two of these injuries were broken bones in the ankle/foot one linked to shovelling tarmac and the other due to slipping and falling over. The third was a broken wrist sustained while working with a mini-digger.

The remaining 13 reportable injuries during 2014-15 were lost time injuries resulting in the employee being away from work, or unable to perform their normal work duties, for more than seven consecutive days as the result of their injury.



### Dangerous occurrences

There was one dangerous occurrence recorded during 2014-15, compared to 4 incidents in the previous year. No-one was injured as a result of this incident. The incident involved a contractor operating a 21 tonne excavator which hit an 11Kv overhead cable during a backfill operation on a capital scheme. The contractor investigation identified a range of improvement actions to prevent a recurrence of this type of incident. The Welsh Water capital team also conducted a review of this contractor's health and safety performance and an agreed improvement plan was established.

### Near miss reporting and positive interventions

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'. Near misses are investigated by managers and the resulting information is used to notify others of potential risks and to revise safe working processes and procedures. During 2014-15, 2,574 near misses were reported. This is a 30% increase on the previous year, where 1,986 near misses were reported. Nearly double the number of near

misses (1,324 compared to 726) were reported by our operational partners as a result of several companies actively promoting near miss reporting. During 2014-15 we have actively encouraged our employees and contractors to make Positive Interventions and take action where there are Unsafe Acts or Conditions observed. Over 17,500 interventions have been reported, which is a 66% increase on the number recorded during 2012-13. We believe that taking action to address these hazards and unsafe behaviours this has led to the prevention of some near miss incidents occurring and thus prevent accidents and injuries.

### Reportable diseases

There were no HSE reportable diseases recorded during 2014-15.

### Enforcement actions

There were no enforcement actions taken against Welsh Water during 2014-15.

There were several unannounced visits by HSE inspectors to Welsh Water construction sites during the year as part of HSE pro-active inspections. In all cases the inspectors were satisfied with the management arrangements in place and no actions were required.

There was unfortunately one prohibition notice issued to a Welsh Water contractor where one of their employees was working in the highway in South West Wales. They were found to be cutting materials without adequate dust suppression or respiratory protective equipment. This notice was subject to HSE FFI (Fee for Intervention) charges and the breach was promptly responded to and addressed by the contract partner.

### Health and Safety Executive (HSE) COMAH Audit and Process Safety Performance Indicators (PSPIs)

During May and October 2014 the Health and Safety Executive (HSE) conducted two audits of our management controls at one of our Water Treatment Works which is a Lower Tier COMAH (Control of Major Accident Hazards) site. The first of these audits formally reviewed the Process Safety Performance Indicators (PSPIs) we use to monitor that this site is operating safely. The second audit was focussed on plant maintenance and management aspects. HSE hazard score of 20 were reported following both of these audits to reflect the fact that we are fully compliant in these areas.

### Monitoring days lost due to illness

In 2014-15, 25,114 working days were lost as a result of illness amongst the 5,324 Welsh Water and Partner employees giving an average number of days lost per employee of 4.72. This is the lowest rate we have seen over the last 9 years. However, this is an area we need to continue 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 many areas over the year. However, there is more work to do to improve our focus on lost time injuries, ill health and sickness absence management.

Our goal for 2015-16 is to continue this improving trend and, in particular, to drive down the number of avoidable incidents where human factors are significant contributory factors. Safety culture and human factors will continue to be a significant theme within our Annual Health and Safety Conference and improvement activities for 2015.

# Occupational health & wellbeing

As part of our commitment to improving occupational health and safety within Welsh Water we have continued to utilise the services of Health Management Limited (HML) during 2014-15 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 has received 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 employee, 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. 133 employees were referred to HML for advice during the financial year.

The majority of the referrals were for either musculoskeletal disorders or mental health issues (41% and 16% of closed cases respectively).

A programme of operational health surveillance was held during 2014-15. A series of clinics were held at 14 sites across Wales and the assessments were well attended with 781 employees being seen and screened. Excluding audiology; 2.4% of these assessments required follow up, either as re-assessment, referral to GP or in the case of 42 cases, referral to the Chief Medical Officer for further advice. This is fewer than last year (81 cases) and has enabled us to effectively support employees and to identify and manage potential health risks before they become ill health absence issues.

A new occupational health provider, Caer Health Services will be working with us in 2015 to support managers and employees to identify health risks arising from work activities and issues that affect well-being and performance at work. They 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 further reduce sickness absence. We will be working closely with them to effectively implement our new attendance management policy and ensure that

we use the task analysis tools and the modified duties and enhanced phased return processes to support colleagues to return to and remain in work.

In addition the Company continues to offer an 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.

We are determined to continue to ensure that employees remain fit for work and will also be focussing on attendance management as part of our 2015-16 improvement plans. In 2013 we signed up to the Department of Health Public Health Responsibility Deal and pledged to support those employees with chronic conditions to remain well and in work. During 2015 we also signed up to their new 'Alcohol in the workplace' pledge at the same time as we launched a new Drug and Alcohol company policy and E-learning awareness programme. We have also signed the IOSH 'No Time to Lose' pledge that is focused on beating occupational cancer and we will be involving IOSH in our 2015 health and safety conference

Welsh Water service partners have their own arrangements for Occupational Health service provisions.

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

## OHSAS 18001:2007

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. As with ISO 9000 and ISO 14001, the OHSAS 18001 system uses a cycle of plan, do, check, review and improve as illustrated below.

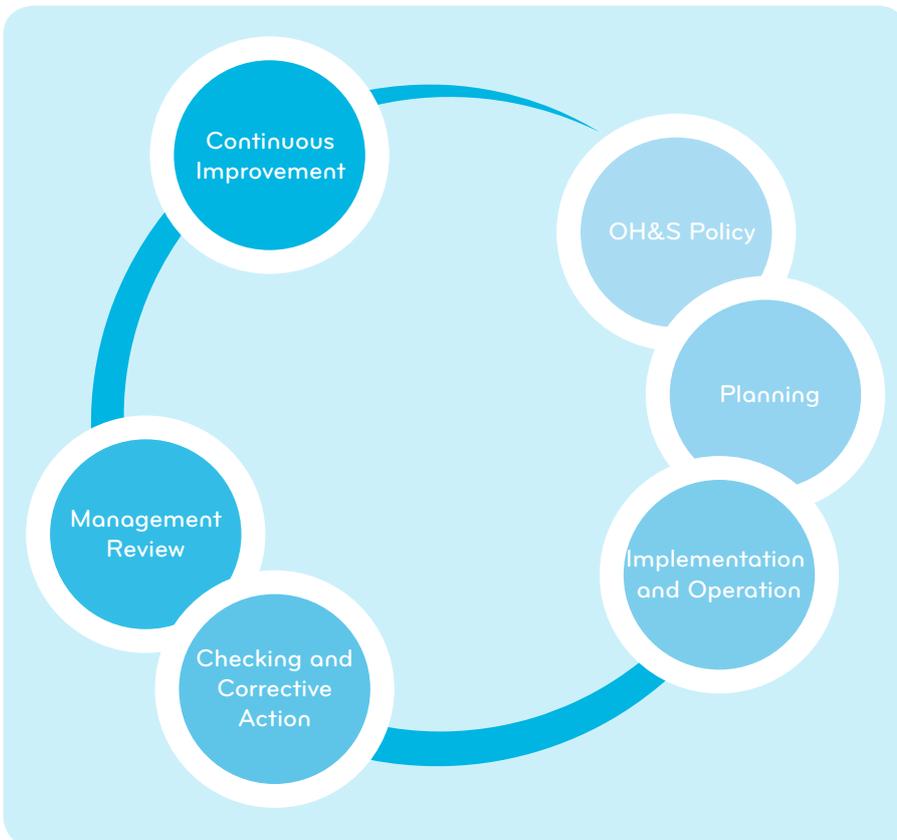
The following key areas are addressed by OHSAS 18001:

- 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 have been our independent assessment and accreditation organisation undertaking the annual audit programme.

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.

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 were 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. Re-accreditation of the existing system was successfully achieved in January 2012 and the scope was widened during 2012-13 to include our transport, ECARE and water distribution functions alongside the Water, Waste Water and Offices already included.



### 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 under the company's continuous improvement programme. The system was further developed in 2009-10 to record details of the cross partner audits 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 have been 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 can be consistently applied across the business.

We have developed and further improved the quality of our internal performance reports over the last few years to ensure that meaningful data is presented and areas for improvement are clearly identified. This has involved analysis of employee and main contractor data and the inclusion of other contractors and suppliers.

Following review of the usefulness of this system and business feedback a project commenced in 2014/15 to identify and develop a new management system better suited to future business needs. This system allows for better action attacking and local management of incident reports and allows managers to develop tailored health and safety performance dashboards to suit their needs. The new system launches on 1st April 2015 and we will be working closely with the business to effectively embed and utilise this tool during the year.

### Promoting good practice

The following illustrates some specific actions taken in 2014-15 to mitigate OHS risk and raise awareness:

**Director safety days:** During the year we held 4 safety days. These focussed on spring cleaning and risk assessments, slips, trips and falls and winter preparations, PPE checks and work on pressurised pipelines. Senior managers were involved in leading briefing sessions and many of the Directors participated in events on sites. In addition the H&S team have supported the employee road shows during the year with information and advice along with reminders about our Golden Rules and how to have safety conversations.

### Water Wellbeing Week – halt for health:

We participated in a Water Industry Water Wellbeing Week which ran across all the water companies in the UK during October 2014 with four main themes: nutrition, hydration, exercise and sleep.

All managers were provided with a 'Halt for Health' presentation to discuss at team meetings and articles were sent out each day during the week to raise employee awareness of different health topics. We have also created a new health and wellbeing microsite for 2015 where monthly health topics and information will be added throughout the year.

**Major risk reviews:** During the year we conducted an internal review into the management of the 'Top 10' health and safety risks associated with Welsh Water activities. These are those risks that have a low probability, but a high severity, should they arise. The aim was to seek assurance that all the risks had suitable and sufficient management and mitigation plans in place; and to identify any additional appropriate controls and improvements. The findings from this review was shared with the Executive and QEC and a rolling programme of major risk ongoing assurance reviews has been built into our AMP6 health and safety improvement plans.

### Process safety and best practice

**benchmarking:** In order to increase our understanding of process safety management and its' potential applications within Welsh Water, over the last year we have participated in a range of Water Industry benchmarking and best practice events. We have joined the South Wales Responsible Care Cell so that we can learn from those in the chemical industry and have also shared internally our learning from working with HSE on COMAH. This is an area for future focus and development as part of our AMP6 health and safety improvement plans.

**Safety alerts and bulletins:**

Many health and safety alerts, bulletins and briefings were also issued during the year, covering issues from equipment failures to chemical risks to slips, trips and falls. 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 internal and external sources.

**Occupational health & safety training**

We have continued to develop and deliver a range of bespoke OHS training courses through both face to face and E-learning media during the year. Specific new training initiatives have included:

**Control of Major Accident Hazards and progression in role matrices:**

We have previously mapped out the health and safety competencies required for all business roles and included these as part of the company progression in role process. This has enabled managers to identify whether all health and safety training is in place and where competencies needed to be developed to meet business needs. This was first rolled out during 2013 and all employees have completed a competence matrix identifying their developmental needs. These were reviewed by the Talent Development team to ensure that we are delivering appropriate training and support to further develop employee competence.

During 2014 we have been specifically looking at the competencies required for those employees who work at our COMAH site to ensure that they reflect best practice and support our process safety improvement plans.

**STEP safety culture programme:**

During the last year we have actively encouraged senior managers and employees to continue to have safety conversations. 52 of our senior managers and the Executive team have participated in our safety culture training programme and have had quarterly objectives to conduct safety tours and report back on their conversations since April 2013. We have been monitoring the number of conversations held, the teams and areas visited and the good practices and areas for improvement identified. The Executive have reviewed the findings and this has been included as a lead indicator in our quarterly health and safety performance reports.

Following on from this we devised and delivered a safety culture training programme for operational managers and supervisors in our Water, Waste and Capital teams. This has been badged as our STEP (Safety Takes Every Person) programme. Delivery commenced in January 2014 and 300 managers have completed a 1 day training session so far. This has been supported by a series of workshops led by the health and safety team to facilitate manager learning and ensure that the training principles are being used locally and over 200 managers have participated in these workshops. During 2014 we developed and delivered a 'train the trainer' module for 70 operational colleagues, providing materials and tools for them to deliver short awareness workshops for all operational employees.



# 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 occupational health and safety, and ensuring we remain focused on the accountability of individuals and teams within the business. It uses both reporting structures and formal management systems to identify and control any operational or other business risks.

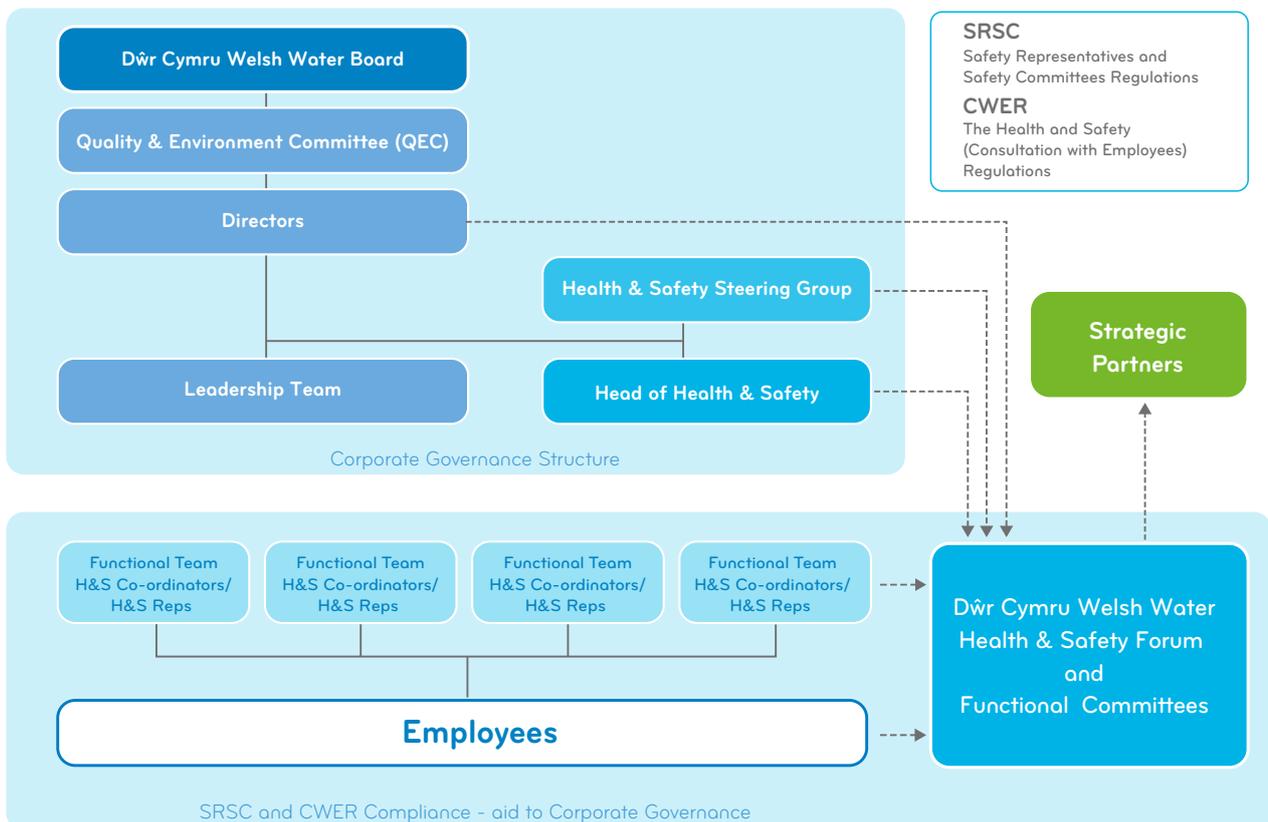
Good governance also requires us to have proactive, open and transparent reporting relationships with key stakeholders. In this respect, key stakeholders include the community we serve, Welsh Water's regulators, supply chain partners and government, as well as all employees across the business.

## Roadmaps and Unit Assessments - continuous improvement action plan programme

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

The Unit Assessment covered a 3 year period and was reviewed regularly to ensure that team procedural briefings are delivered and that risk controls are in place. Progress against unit assessment targets is included in the quarterly health and safety performance reports.

The last 3 year programme concluded in March 2014 with overall company compliance reaching 96%. A new 3 year action plan commenced in April 2014 which to reflect the current areas of improvement focus and overall compliance at the end of March 2015 was overall above the compliance target (56% against a target of 40%).



### Monitoring performance

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

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.

- **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 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 Managers and the Health and Safety Managers of our main partner organisations.

This group reviews progress against improvement action plans, together with details of any reactive events such as accidents and incidents. Audit reports are also discussed 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. Best practice within the wider business is discussed and, where appropriate disseminated further.

- **Welsh Water's Health and Safety Consultation Forum:** The Trade Union consultation group meets quarterly to review policies, procedures and performance and to consider opportunities for further improvements to our management arrangements. Chaired by the Chief Operating Officer, the committee links back to the Welsh Water Health and Safety Steering Group, which approves priorities and, where required, the release of resources.

### Contractor Health and Safety Management

- **Selection of contractors**  
Before any contractor is appointed to work for Welsh Water, the company will be required to provide evidence of a current SSIP (Safety Schemes in Procurement) registration. Alternatively a health and safety competent adviser or appointed agent will review a pre-qualification questionnaire completed by the contractor.

### - Setting performance targets

As part of the appointment process for main contractors and partners a Welsh Water Manager, supported by the Health and Safety team will meet the organisation and discuss their health and safety management arrangements and improvement plans. This will include company specific health and safety improvements and objectives; delivery of which forms part of their contract. Any recommended improvements identified during contract reviews are based upon a joint assessment of the occupational health and safety risks, and can include both quantitative and qualitative targets. Any partner improvement action plans are reviewed and updated on an annual basis.

### - Monitoring performance

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

## Auditing performance

### - Cross partner audits

Welsh Water has previously hosted a programme of cross partner audits, where main partners are audited by their peers. In 2012-13, safety management system audits were completed across our main partners and the actions from these monitored during 2013-14 alongside their health and safety improvement plans. During 2014-15 a series of focussed site audits were held as part of the tendering exercise for the AMP6 capital programme. Cross audits can demonstrate conformance with policy and procedures, but this is not the main benefit. We can gain a long term view of the health and safety competence of our partners and also give them a view of health and safety procedures and processes in other organisations. This facilitates considerable sharing of good practice and cross fertilisation of ideas. We will be developing a new process to facilitate this practice during AMP6.

### - Insurance audit reviews

We take pride in our close working relationships with our contract partners and have extended this good practice to encompass other service providers, like Mitsui Sumitomo, who have provided insurance for the business and our capital programme. This working relationship and programme of insurer audits have yielded benefits for both parties; Mitsui has reviewed

our partners and their systems to clearly understand the risk to the business, and we have benefitted from Mitsui's work with other clients who might have different procedures for minimising losses. A programme of insurer reviews and support to forums has been proposed by Mitsui each year having regard to Mitsui's assessment of key risks. This is a process we will be looking to develop with our AMP6 insurance partners as part of our continuing business risk management.

### - OHSAS 18001 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.

## 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. The Board also reviews and endorses the annual occupational health and safety report before it is published at the annual general meeting.

## Industry reporting

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

From 2012, there was no specific requirement to submit health and safety data to Ofwat. Welsh Water does, however, participate in a water industry cross-company performance benchmarking system that is supported by the Water UK Occupational Health and Safety Group members.

# Recognising excellence and achievements



The conference also featured presentations from the Health and Safety Excellence and Innovation Awards finalists which were voted on by the conference delegates. This was followed on by the 2014 Welsh Water annual awards event which recognised OHS Excellence for both employees, teams and contract partners.

## Excellence awards

Introduced in 2007, the Welsh Water Occupational Health and Safety Excellence Awards recognise excellent performance by our employees and contract partners. Each year there are awards for health and safety excellence, innovation and an award for individuals and teams nominated to recognise an 'outstanding contribution to health and safety'. These awards are a regular feature of the Welsh Water's annual Health & Safety Conference.

The Welsh Water Health and Safety Excellence Award winners as voted by delegates at our 2014 event were the Capital Engineering and Delivery Team. The team were able to demonstrate how they had delivered a significant amount of capital work over the year, working with multiple contractors while keeping health and safety at the forefront other their approach with a set of leading indicators and a visible felt leadership approach.

The Supply Chain Excellence Award went to RPS who were able to demonstrate 5 years of health and safety improvements through the use of their Integrated Management Systems.

## Health & Safety Conference

In June 2014 Welsh Water held our eighth annual health and safety conference. Over 300 individuals, including executive and non-executive directors, senior managers, safety representatives and health and safety specialists from across the business, attended the event which was sponsored by our insurers Mitsui Sumitomo.

The theme for the event was STEP – 'Safety Takes Every Person' and focussed on what everyone can do to prevent injuries and ill health and participate in our health and safety improvement strategy. (Our 'Journey to Zero' strategy – and our ambition of achieving zero reportable and lost time injuries).

The keynote speaker was Sir Ranulph Fiennes who spoke about his career and some of the challenges he has faced and overcome; showing how anything can be done safely with team teamwork and the right amount of planning and preparation. Delegates were also able to participate in a series of workshops highlighting key aspects of our health and safety management system.

These included sessions covering:

- Safe manual handling from Pristine Condition
- Safe selection, use and maintenance of Personal Protective Equipment from John Liscombe
- STEP and safety culture programmes from Ryder Marsh
- Safe digging and cable location from Mitsui Sumitomo
- Mental Health Awareness from Time to Change Wales

They had especially focussed on employee engagement and being the 'BEST' (Behavioural Excellence Starts Today).

The award for Best Innovative Idea went to Utiltec for their 'Stop the Drop Safety Lifting Keys'.

The Outstanding Contribution Award went to Nick Jones a Welsh Water Production Unit Manager based in North Wales. Nick was recognised by his manager, team and peers as someone who always leads by example and ensures that high standards of health and safety are maintained on all his sites.

### External recognition

Welsh Water has again been recognised by the Swansea and West Wales Occupational Safety Group. In 2014 we were awarded their President's Award for Safety Training for our STEP safety culture training programme. This year we have been recognised with their Wellbeing Shield to acknowledge the work we have done to raise and maintain the profile of health and wellbeing amongst our employees. This included participating in a Water Industry Wellbeing Week during October 2014, for the second year running.

The Welsh Water Capital Delivery Engineering Team won a Wales Quality Centre Innovation Award –for their 'Tap to Zero' Positive Intervention reporting App.

We have also been recognised by Welsh Government, achieving their Bronze Corporate Health Standard Award which was presented to us at their Healthy Working Wales award ceremony in March 2015.

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:

RoSPA Gold Medal for 9 years consecutive gold awards:  
**Alun Griffiths (Contractors) Ltd.**

RoSPA Gold Medal for 7 years consecutive Gold Awards:  
**Black and Veatch Ltd (Wales teams).**

RoSPA Gold Medal:  
**Imtech Water, Waste and Energy.**

RoSPA Gold Medal:  
**O'Connor Utilities Ltd**

RoSPA Gold Medal:  
**Mancoed.**

RoSPA Gold Award:  
**Lewis Civil Engineering Ltd.**

RoSPA Construction Sector Award Winner:  
**Morrison Utility Services.**

British Safety Council -  
International Safety Award Merit:  
**Morrison Utility Services**

NJUG National Awards – Avoiding Damage to Underground Assets:  
**Morrison Utility Services**

Wales Corporate Health Standard Bronze Award:  
**Morgan Sindall Framework Team**

Wales Corporate Health Standard Bronze Award:  
**Hortech South Wales Management Team**

### External representation

The Head of Health and Safety is a long standing member and past Chair of the Water UK Occupational Health and Safety Group. This group works to share learning and improve performance collectively across the water industry.

Having also been a member of the Institution of Occupational Safety and Health (IOSH) for 21 years, they are currently serving as an IOSH Council member. The Council holds the Board of Trustees accountable for its performance against key responsibilities on behalf of members and debates key strategic, professional and policy issues.