

Northern Ireland Water

Health and Safety Data

(Commentary for Table 41)

Public Domain Submission

Prepared for
Utility Regulator and NI Water

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CH2MHILL®

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Table 41 – Health and Safety Information

1. Introduction

The data collected in this table establishes a set of Health & Safety (H&S) statistics for the appointed business.

2. Key findings

- Both 'occupational ill health' rate and 'days lost' rate have increased from previous year.
- Currently Company's system is not capable to capture data for non appointed business.
- The Company believes that all of their activities are core operational activities.
- We recommend NI Water to capture operational contractors' information so that the Company can monitor their contractors' performance.
- We audited the reported data and challenged the processes on a sample basis. Except where detailed below, we consider the data reported in the table is robustly prepared using systems and process that are appropriate and in line with the reporting requirements and that are properly implemented with effective quality control and governance arrangements.

3. Audit approach

The audit included reviews of the current Company methodology sheets for data collation, reviews of the data supplied, cross checks between the commentary and the data in the table and comparisons with last year's submission. We also met the Company's representatives from Human Resource (HR) and Health & Safety (H&S) teams.

4. Company methodology

4.1 Lost time due to sickness and accidents and incidence of occupational ill health

The Company explained the process for recording absences has changed since AIR13. On the first day of absence, NI Water employees ring their line manager. The line managers then record the absence on the HRIT Oracle system. The line manager also records work related accidents on the Datix system. On the day the employee returns to work, the line manager closes the absence on Oracle. The employees' line manager holds a return to work interview, completes a return to work form (SA2) and forwards to Human Resources Support Team along with any outstanding medical evidence including self-certificate's (SA3, if required). HR and Safety Advisory Officer (SAO) separately run monthly reports on absence and accidents which are reviewed by the NI Water Executive team and Board.

We asked the Company whether they check any trends of employees' absence. They explained that HR reviews all absence cases and has absence targets for all employees. Once attendance targets of 4 separate occasions or a total of 10+ working days in a rolling 12 month period are breached, these employees' records would be reviewed by the HR Team and line management. Either no action is taken with a memo issued to employees advising of their absences, how they have breached trigger points and potential action in future if any more absences or they would be notified of an interview which could result in possible disciplinary action. There is also a 20+ days category which is classified as long term sickness. These are dealt with under the company's long term sick process involving meetings with HR and line management and referrals to Occupational Health. They also explained that if the employees had occupational ill health or work related accidents, HR treats these cases on an individual basis to assess what action would be required. The NI Water Employee Support Officer would also be available

to support employees who are on a period of long term sick or have been absent with stress related conditions.

The Company has 37 sub-categories for absence (which also include non-work related absences). These sub-categories do not match with the ones specified by the NIAUR. However, NI Water has assumed that 5 of their principal categories cover work-related absences and have reported all absences from these 5 categories in Line 2. Note, there were no absences recorded other than in these 5 categories.

The Company constructed a review of absences for a 12 month period Jan-Dec 13 and presented findings to EC and Board. Trends and levels of absence were discussed and action plan agreed.

4.2 RIDDOR incidents

The number of RIDDOR incidents is held in the online system, Datix. Data is prepared monthly for the NI Water Board and then summed to produce an annual total. These records contain the necessary information concerning accidents, incidents and near misses and thus also provide the necessary data for Lines 8 and 9. At audit we were shown examples of RIDDOR incident forms and the accompanying investigations and actions, where relevant.

4.3 Contractors information

Data regarding contractors' employee numbers is currently not provided to or by NI Water. However, the Company has contractors' data on RIDDOR, minor accidents and near misses, which are reported to the Executive team and the Board monthly.

As is common across the water industry in England and Wales, NI Water is confident in the reliability of data relating to its own employees (reported in blocks A and B), but has less confidence in the information provided by its contractors. The Company explained although they take the H&S of their contractors very seriously, the nature of their business would prove very difficult and labour intensive to capture this information.

We queried whether NI Water asks contractors to provide H&S information. The Company explained this is considered at the evaluation stage of the tendering process. They added that as any RIDDOR incidents will be reported to the Northern Ireland Health and Safety Executive (HSENI), they believe that such an onerous task would not necessarily add value.

Whilst we acknowledge that NI Water has robust selection and monitoring procedures in place to assess contractors' H&S performance, experience in England and Wales indicates that it is also considered to be good practice if the 'sponsor' company takes strategic interest and incentivises improvements in the health and safety procedures and practice of their supply chain partners. We suggested that when NI Water H&S representatives attend water industry wide H&S meetings, they should suggest sharing the Table 41 information as we know from our experience in E&W that other WaSCs are also interested in sharing such data and the knowledge that other companies may have.

5. Audit findings

5.1 General

The methodology employed by the Company is unchanged from that used in AIR13. The figures reported in Table 41 for AIR13 are from Datix, which the Company introduced in 2009. Lines 1-5 are from Business Objects reports, which are used to retrieve information from the HRIT Oracle system.

Information relating to the PPP contracts is not included in blocks A and B. We challenged the Company whether they include 'non core operational activities' and what their core operational activities are. NI Water confirms that all of their activities are 'core' operational activities. We concur with the Company's view. NI Water explained that they do not have a system to capture data information for non appointed business for AIR purposes and has no plans to do so.

NI Water has included all of the activities listed below:

Industrial	Non-Industrial (back office)
<ul style="list-style-type: none"> • Asset Management • Customer Field Services • Leakage Services • Mechanical & Engineering • Networks Water • Operations Services • Waste Water Services • Water Supply • TMG 	<ul style="list-style-type: none"> • Asset Management • Business Improvement • Chief Executive Office • Corporate Affairs • Customer Field Services • Customer Services • Engineering & Procurement • Finance and Regulation • Human Resources • Information Services • Leakage Services • Mechanical & Engineering • Networks Water • Operations Contract Management Centre • Operations Services • Secretariat • DSCT • Waste Water Services • Water Supply

We confirm the reported data relates to Report Year (1 April 12 to 31 March 13) and not calendar year.

NI Water had a target of 96.8% attendance estimated in PC13 business plan for 2013/14, which they were below target by 0.4%. NI Water also had a KPI target of 6 RIDDOR incidents for 2013/14 producing an outturn of 6.

5.2 Company data

Line 1 – Employees total

For the data reported in Line 1, the Company has calculated the average annual employee total based on the average monthly numbers of employee. We have checked the Company's system and confirm the total numbers of employees reported. The number of employees is slightly lower than AIR13, following some losses due to restructuring and natural reduction. This figure also includes staff on fixed term contracts circa 8 – 12 people p.a. (pro rata) who were paid directly by NI Water.

The Company explained that the number reported in Line 1 is the total number of employees. In AIR14, NI Water includes all of its activities in the submission.

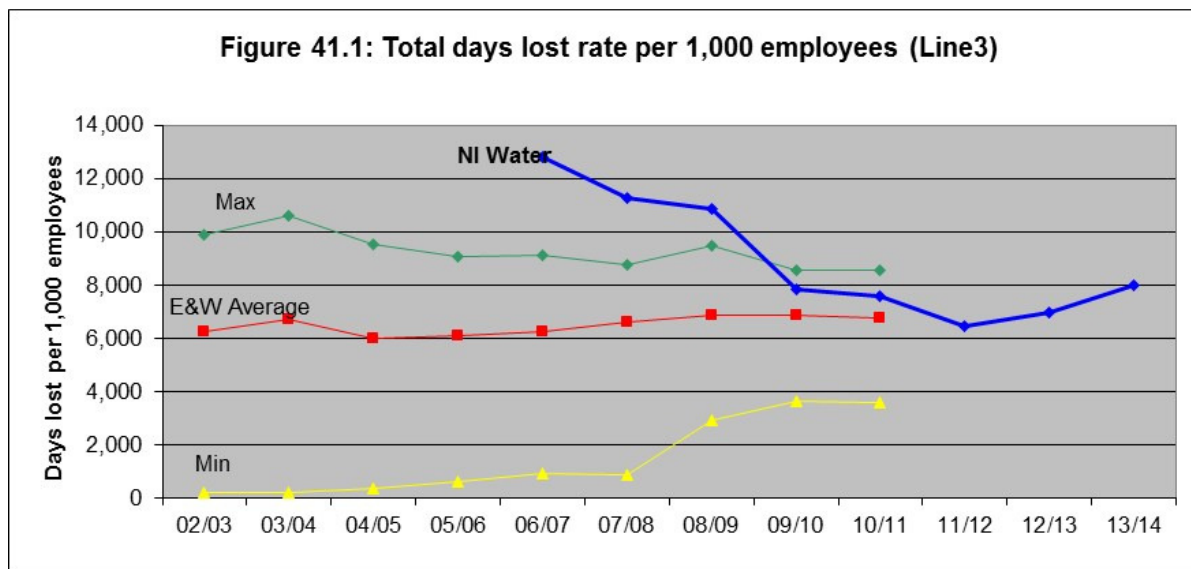
Line 2 – Total days lost due to sickness, accident and occupational ill health

The data for Line 2 is calculated from business object reports using data from Oracle which states the start and end date of any employees' absence. The process for reporting sickness is described above. The Company's Executive team reviews and monitors sick absence and days lost on an ongoing basis, specifically at the monthly Board meeting. In addition, HR attend each Directorate/Function management team meeting, review absences levels in their areas and agree appropriate action. The implicit assumption is that all days of sickness are correctly reported in Oracle.

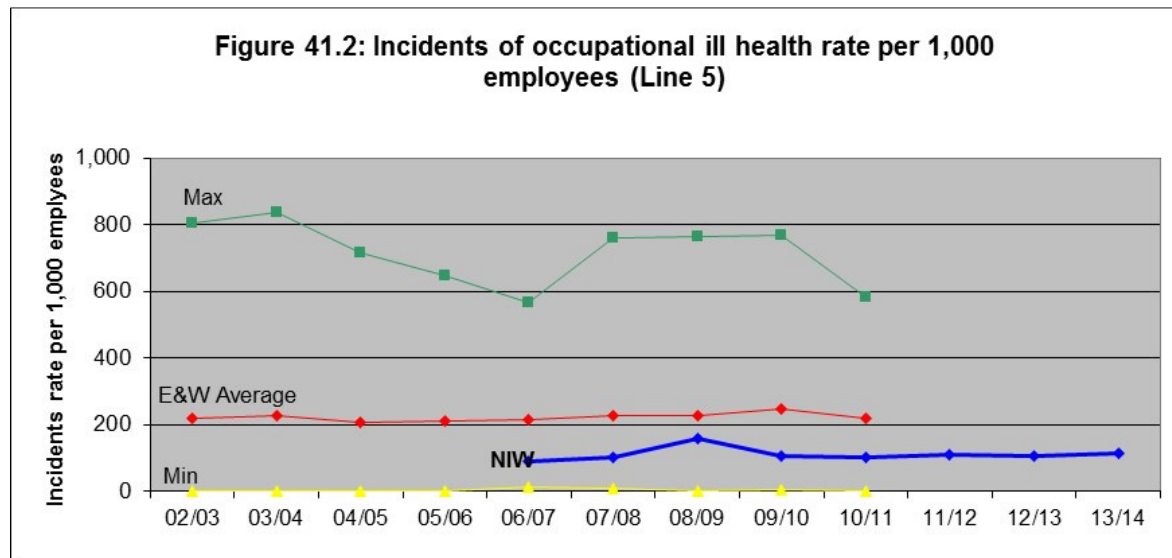
Line 3 – Total days lost rate per 1000 employees

Line 5 – Incidents of occupational ill health rate per 1000 employees

We noted that Line 3 has significantly increased from AIR13, by 14% (see Figure 41.2 below). NI Water's days lost rate is now well above the 2010/11 England and Wales average of 6,758.66. NI Water explained that they carried out an extensive effort to reduce long term absences which, they believe, helped to reduce a number of stress and work related absence. On the other hand, they saw an increased number of critical illness (which led to 3 deaths in service and a few medical retirements) and post operations.



We have also compared the NI Water's total days lost rate and occupational ill health rate against the E&W companies (Figures 41.2 below). The occupational ill health rate in NI Water has been below the E&W average since 2006/07.



Line 4 – Number of incidents of occupational ill health

The data for Line 4 records the number of incidents where staff were off work with related absences as described in the methodology and commentary report. The Company explained that incidents related to stress have reduced while absences from long-term illness have been increased in 2013/14.

Line 6 – Number of RIDDOR incidents

The number of RIDDOR decreased from AIR13. The Company explained that they have regular seminars on H&S with HSENI and the Company. In addition, if any issues/injuries happened in NI Water premises they exchange the information with their contractors to protect their staff from similar injuries.

Line 8 – 3-day accident rate

The Company's 3-day accident rate has been halved from AIR13. The Company explained that they ask their employees to see the occupational health advisor to ensure the employees are fit for work and this support to employees appears to have reduced the rate. We believe this explanation is reasonable.

5.3 Contractors data

Line 15 – Total incidents rate

For Line 15, the contractors have access to Captrax to report any RIDDOR incidents and near misses. NI Water's Engineering & Procurement Safety Advisory Officer runs monthly reports from Captrax on the contractors' performances and manually uploads onto Datix every month. We asked the Company if contractors' data is captured and reported accurately. They explained that their contractors have an obligation to report any RIDDOR incidents to HSENI. The Company also believe that their contractors report all incidents to NI Water as well. We believe this is reasonable. NI Water's contractors reported 6 RIDDOR incidents in Line 15.

The Company added that for technical reasons it has not been possible to automatically linking between Captrax and Datix. The Company's SHE team currently uplifts the Captrax reports on a monthly basis and manually input these to Datix for reporting to the Board.

6. Assumptions

The Company made assumptions as follows:

- Total number of employees includes all of NI Water's operational activities.
- The number of lost days is only reported a full day's absence.

7. Confidence grades

- NI Water has assigned a grade A2 for Block A. The Company explained that all of their activities are assumed as 'core' business, however from our previous audits, there is circa 2% of employees who work for non-core operational activities. The Company's system does not capture their employees hours worked for non-core business therefore we believe a B2 is more appropriate.
- We believe that for the same reason (lack of capturing system), Block B also should be B2.
- For Line 15 NI Water explains that their contractors' information is manually downloaded from Captrax and uploaded onto Datix, and the Company is working on interfacing these two systems.
- For Line 18 the contractors have a legal obligation to report any Major/fatal accident to NIHSE, therefore NI Water is confident of their contractors' information. However the number of contractors' employees is unknown. Although a number of major/fatal accidents was 0, the accident rate is unknown thus CG should be BX.