Northern Ireland Water Ltd

Annual Information Return 2009

To the

Northern Ireland Authority for Utility Regulation



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Part 7 of 7 containing: Health and Safety - commentary for table 41

Reporter's Submission

Ву

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Northern Ireland Water Ltd

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Northern Ireland Water Ltd – AIR2009 Submission

This is the public domain version of the Reporter's submission for AIR2009.

Items mark (x) have been excised as they are considered commercially confidential or of sensitive nature.

Table 41 – Health & Safety – Policy & Performance

Commentary by REPORTER

1. Background

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

2. Key Findings

• NI Water's approach and methodology broadly unchanged from AIR08 and continues to meet NIAUR's guidelines

3. Audit Approach

The audit included reviews of the current Company methodology sheet 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.

4. Audit Findings

4.1 General

The methodology employed by the Company is largely unchanged from that used in AIR08. The Company is in the process of changing its absence policy. However these changes are ongoing and for the current report period there has been no change from the practice adapted previously.

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. Information relating to the PPP contracts is not included in blocks A and B.

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

4.2 Company methodology

The Company uses a paper based form (SA1) to record employee absences records. The Company explained the process for recoding absences as follow (figure 1). On the first day of absence, NI Water employees ring his/her line managers. Line managers advise payroll by completing SA1 form and emailing to the 'sick absence' email address. On the first day of return to work, the line manager completes a further SA1 form and emails to payroll to close the absence. The employees' line manager hold a return to work

interview, completes a return to work form and forwards to payroll along with a self certificate (if required). HR and Safety Advisory Officer (SAO) separately run monthly reports which are reviewed by the NI Water Executive team and Board.

The Company has introduced a new web based format (Datix) since November 2008. NI Water had run both paper forms and Datix for QA purpose until March 2009. NI Water has provided data from the paper forms for this reporting year.

Please note the HS1 form and the SA1 form are two completely different forms and reporting procedures.

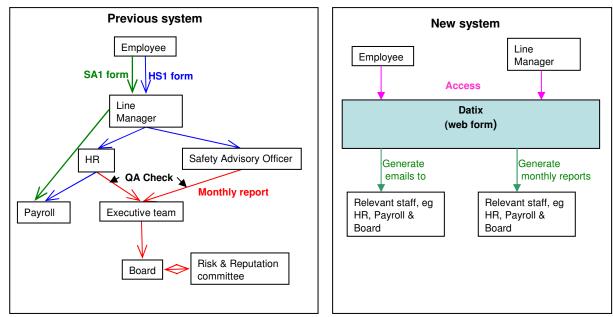


Figure 1: Absent/accident notice procedures

The Company's annual targets for RIDDOR statistics are described in the figure 2 below. The Company explained that the ratios in the triangle are derived from the industry standards research and experience. NI Water tries to minimise numbers of RIDDOR and minor accidents and increase in a number of near misses, instead, to an expected level of three times number of minor accidents. We challenged the Company that why its target of near misses are 'more than 75' rather than 'less than 75'. The Company explained that its target is to reduce RIDDOR and minor accidents by identifying near misses and its root causes, introducing controls prevent reoccurrence and thus reduce the potential for accidents both minor and major including RIDDOR accidents.

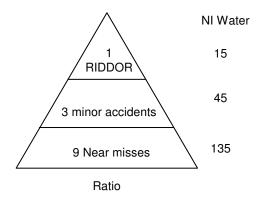


Figure 2: RIDDOR NI Water targets

4.3 Company data

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 the total numbers of employees were consisting with its system. Line 1 shows a continued decrease in the number of employees. This is because the Company is in process reducing a number of posts.

The data for line 2 is calculated from the SA1 forms which state the start and end date of any employees' absence. The process for reporting sickness is described above. The Company's Executive team reviews the total number of employee and absence records between figures extracted from HR and SAO and questions any discrepancies in the figures. The implicit assumption is that all days of sickness are correctly reported.

In the Company's draft table, we noted an error in line 3. We challenged the Company on this and confirm that the number reported in line 3 now satisfactory reported.

The data for line 4 (number of incidents of occupational ill health) records the number of incidents staff were off with work related absences as described in the methodology and commentary report. The Company sends its staff, who have been absent from work over 20 working days to the occupational health doctor. We challenged NI Water how the Company would record if the same person went to see the doctors twice. The Company explained that these visits are recorded separately. We believe this is reasonable.

The number of RIDDOR incidents (line 6) is held in the H&S team and all the back-up paperwork is stored within the H&S team. The process is manual in nature and consists of forms dealing with RIDDOR events being completed and returned. 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.

4.4 Contractors' data

Data regarding contractors' employee numbers are requested on a monthly basis and are then provided to the H&S team. Therefore, the Company has a high level of contractors' data which are reported to the Executive team and the Board monthly. However, NI Water has chosen to detail this in its commentary rather than within the table as the information provided is relatively high level. Information relating to the Company's PPP contractors is not included in either the Company as table.

5. **Company Assumptions**

We have detailed above the assumptions made by NI Water.

6. **Confidence Grades**

The confidence grades of A1 for lost time and A2 for RIDDOR reports are unchanged from AIR08 and appear reasonable.

7. **General Issues**

None.

Date: 10 August 2009