



PRIME MINISTER

THE EFFICIENCY STRATEGY 1982 - THE SCRUTINY PROGRAMME

1 Your Private Secretary's letter of 15 December asked for proposals for this programme.

2 The only new proposal I wish to make relates to the Health and Safety Executive. As regards the rest of the DE Group, my Department is already involved in the two Co-ordinated Reviews of Running Costs and Personnel Management, and is I think the only Department involved in both. A scrutiny of the MSC's General Employment Service, which will be a major exercise, is already part of the 1982 programme and is in train. The remaining part of the DE Group which employs big numbers - the Unemployment Benefit Service - is too hard pressed in recovering from the Civil Service dispute, implementing the earlier Rayner scrutiny of unemployment benefit and introducing taxation of benefit to allow involvement in any further scrutiny this year.

3 The proposal by the Health and Safety Executive is set out in the attached note. It is a review of the arrangements for the supply and use of information on industrial accidents and diseases. The data base to be reviewed is central to the effective operation of the various Inspectorates and to improving safety practice in industry. Besides its intrinsic importance, impending changes in the social security field could require extensive changes too in the HSE's system. The cost of the arrangements under scrutiny is significant both to the Government and to industry.

4 I am copying this minute to the Chancellor of the Exchequer, Sir Derek Rayner and Sir Robert Armstrong.

NT

NT
15 January 1982

HEALTH AND SAFETY EXECUTIVE

PROPOSAL FOR SCRUTINY OF THE ARRANGEMENTS FOR THE SUPPLY AND USE OF INFORMATION ON INDUSTRIAL ACCIDENTS AND DISEASES

Introduction

When HSE was set up in 1975, the Executive decided it was essential to establish a major new data base including information on the nature and occurrence of accidents and diseases at workplaces. This seemed essential to provide a sound foundation for both policy formation and enforcement activities. A major programme involving capital expenditure on computer facilities of over £1 million was embarked on and became operational in 1981. The programme of work in this field involves annual expenditure within HSE of well over £1 million.

A review of the system is now highly desirable, not least because the source for a great deal of the information - the DHSS Industrial Injuries Scheme - is due for substantial change. We need to consider therefore both the needs for information of this kind and the most efficient and cost/effective way of obtaining the information from employers.

The Present Position

1. At present the Health and Safety Executive receives information in connection with industrial accidents and diseases through the following channels:
 - (1) Industrial accidents are regularly notified to the Executive by DHSS as an extension of their ordinary arrangements for payment of industrial injuries benefit. A stream of some 400,000 notifications per annum is received and computerised.
 - (2) Similarly, information is received from DHSS in relation to all cases of 51 prescribed diseases claimed to be related to occupation, which result in the payment of

industrial injuries benefit. There are some 10,000 notifications annually.

- (3) Serious accidents and certain diseases are directly notified by employers. These are defined in Regulations. Some 15,000 accidents and a negligible number of cases of particular diseases are thus notified.
- (4) Certain additional information is gained in the ordinary course of investigation and inspection.

2. Information on accidents and diseases can contribute to:

- (a) targeting inspection work by HSE and other authorities and judging the success of enforcement measures
- (b) assessing trends in accidents and disease
- (c) determining policy priorities and guiding the formulation of the Executive's programme of work.
- (d) assisting employers and workpeople in identifying problems at particular workplaces.

Need for Reappraisal

3. The HSE end of the information system has recently been computerised - further more sophisticated means of handling the data are under consideration. The internal arrangements are therefore in a relatively fluid state. The time is opportune to review the relative usefulness and cost effectiveness of the main information streams in relation to the Executive's operational and policy needs. An additional reason for a careful reappraisal is that the impending passage of the Social Security and Housing Bill, and the changed DHSS reporting procedures consequent upon the abolition of the differential rate of payment for industrial injuries benefit, will have a

significant impact upon the quantity and possibly the nature of the largest of the present information streams.

4. The task is to identify the requirements of the Executive, other enforcement authorities, and employers, workpeople and others outside "Government" and to seek to satisfy them in the most effective and economical way, taking account of the uses to which the existing stream of information is actually, and could usefully, be put.

Terms of Reference

5. The following Terms of Reference for a scrutiny are therefore proposed:-

"To identify the Commission's and the Executive's requirements for information on accidents at work and on industrial diseases and the present and potential uses and practical importance of this information for their work.

"To consider the interface between these requirements and uses and the information currently or potentially available within industry for its own needs.

"To report within four months".

Scrutiny Officer

6. To be nominated.

Costs of Present Activity

7. The costs of the current activity involve: (1) costs to DHSS of forwarding data received in connection with the industrial injury benefits scheme; (2) costs to employers of various kinds and (3) the costs to the Executive of computerising, analysing and putting to use the data. While it is possible therefore to provide a rough estimate of the costs within the Executive (about £1 million a year),

4.

this does not recognise the full magnitude of the costs, nor indicate the potential for savings.

Reporting Channel

8. The Health and Safety Executive, which will report to the Chairman of the Health and Safety Commission on the outcome.

for John Locke
ARH.

JOHN LOCKE
Director General HSE

11 January 1982

2981 NOV 1

11 12 1 2 3
4 5 6 7 8 9 0