



# Strategy for regulation of health and safety risks - chapter 1: Health & Safety Management Systems

## ORR strategy for Health & Safety Management Systems

One of our strategic objectives is for a safer railway. In order to support this, the industry should achieve and sustain excellence in its ability to manage health and safety risks.

To achieve this we will:

- encourage duty holders towards excellence through our assessment of safety management systems and then our subsequent testing of them, using the Risk Management Maturity Model (RM3) as our benchmarking tool;
  - continue to encourage the industry to use the RM3 principles and outputs to self-assess and to build on their existing baseline assessments to identify weaknesses for improvement;
  - continue to carry out planned inspections and reactive investigations and continue to use the evidence gathered from our activities is evaluated against the RM3 model so we can build a clearer, more in-depth and comprehensive picture of duty holder health and safety risk management capabilities;
    - influence and assist duty holders by holding further workshops on how best to use RM3 and continue to encourage the sharing of good practice where possible; and
    - focus our efforts on identifying systemic weaknesses and challenging the industry to continually improve so that organisations can achieve and sustain excellence.

This document describes the current performance of duty holder's safety management systems against previous performance and our specific activities to encourage duty holders to achieving health and safety excellence.

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## Introduction

1. A health and safety management system (SMS) enables an organisation to meet its legal duties to identify, eliminate or reduce so far as is reasonably practicable, the risks that its activities create.
2. An SMS is more than a written policy and procedures: it is an organisation's underpinning philosophy of how it safely delivers its business objectives through the effective use of its resources. An organisation's SMS should focus on ensuring that the physical, managerial, procedural and cultural elements of the organisation are managed to deliver effective and efficient risk control.
3. An effective SMS is underpinned by positive health & safety culture of an organisation. Effectively managing for health and safety is not just about having a management or Safety Management System (SMS). The success of whatever process or system is in place hinges on the attitudes and behaviours of people in the organisation – the culture. We provide more information and guidance within our Strategic Risk Chapter - 13 *Leadership and Culture*.
4. The Railway and Other Guided Transport Systems (Safety) Regulations 2006 (ROGS) requires relevant 'transport operators' to hold a Safety Certificate (SC) or Safety Authorisation (SA) issued by ORR or the European Railway Agency (ERA). ROGS further requires that:
  - any train operator, infrastructure manager or entity of charge of maintenance (ECM) must have established and maintain a safety management system; and
  - hold a current certificate or authorisation from ORR before beginning operations on the railway.

Vertically-integrated companies that manage infrastructure and run rail services are required to hold both (e.g. London Underground).

5. In their applications for an SC and/or SA duty holders must demonstrate, in a structured way, how their SMS can deliver management of the risks arising from their work activities. Duty holders are also required to document and evidence how their SMS will deliver continuous improvement throughout the five year validity period of their SC and/or SA.

6. Once a certificate or authorisation has been issued, we look at how the SMS is being applied in practice and how effective it is. This forms part of our duties of supervision as required by the Common Safety Method (CSM for Supervision). We supervise through targeted inspections and audits and by using intelligence gathered by ourselves, RAIB and the industry.

7. Our supervision activities during 2015-16 identified some elements of the SMS that are regularly found to need improvement, principally:

- Risk assessment that identifies controls required:
  - i. For manual handling activities;
  - ii. At level crossings;
  - iii. For basic workplace health and safety
- Charter operator's insufficiently robust management of it's drivers.

8. We use the Risk Management Maturity Model (RM3), to contribute to our ROGS process of monitoring duty holders. The RM3 describes the components of an effective safety management system. The components and the model are described in more detail on our website<sup>1</sup>.

9. Duty holders are likely to perform at a different level of capability for each component of the RM3. There are five levels of capability - from 'ad hoc' (poor) through to 'managed', 'standardised' and 'predictable', and ultimately to 'excellent'. RM3 describes what is expected at each level for each component. This allows ORR inspectors and companies to compare current performance to the description of what is expected; to deduce where an organisation is on the scale of management capability for that component, and to identify how they might improve.

10. By improving their RM3 scores in each criterion, duty holders are able to work towards "excellence" in their management system. This also demonstrates the ability of an organisation to continuously improve.

11. Guidance for effective management systems include the HSE's HSG 65 document<sup>2</sup> and the British Standard OHSAS 18001<sup>3</sup>. However, accident reports and academic research have identified other features are equally important in SMSs to achieve excellence. The RM3 encompasses all of these features and guidance in order for the SMS to deliver excellence. It is also aligned to the requirements of ROGS to facilitate use by organisations. Therefore we will continually encourage the industry to use the RM3 and will use RM3 throughout this chapter to demonstrate and communicate performance.

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<sup>1</sup> See the main RM3 document at: [http://orr.gov.uk/\\_data/assets/pdf\\_file/0013/2623/management-maturity-model.pdf](http://orr.gov.uk/_data/assets/pdf_file/0013/2623/management-maturity-model.pdf)

<sup>2</sup> <http://www.hse.gov.uk/pubns/books/hsg65.htm>

<sup>3</sup> <http://www.bsigroup.com/en-GB/ohsas-18001-occupational-health-and-safety/>

## ORR Activity (general)

12. Inspection and audit of a duty holders' SMS is a significant part of our proactive strategic risk priorities, along with our reactive investigation work. We also scrutinise accident investigation reports by RAIB and the industry. Where we find serious deficiencies, we may use our enforcement powers, where appropriate, to require improvements

13. We continued to collate intelligence gained from our inspection and investigation activities and benchmarked the performance of duty holders against the criteria in the RM3 model. This has helped us form a view of each duty holder's management capability identifying the areas of strength and weaknesses of the SMS. We can, therefore, target our future activities in identified areas of weakness and learn from those areas that appear to be robust. We routinely share this information with duty holders and discuss with them where they can make improvements.

14. Under ROGS all Transport Operators are required to have a SMS that is built on continuous improvement. The RM3 model is a tool that can be used by duty holders to undertake self-assessment to provide assurance that their SMS is continuously improving. Where duty holders have adopted this approach we have sought to actively engage and work collaboratively with them.

15. Following feedback from our industry engagement workshop on the RM3 model in May 2016, under the strategic direction of our newly formed cross industry RM3 Governance Board; we continue to capture the needs of industry. Our two immediate priorities are to support the launch of a revised electronic copy of the RM3 document and a paper version to support the use and implementation of the RM3 model within organisations.

16. We have a collaborative arrangement with the Health and Safety Laboratory to further develop the RM3 model, particularly its competency management elements. Other tools to make efficient use of RM3 are being developed, including RM3 online assessment for use in the field

17. We served 17 enforcement notices in 2015-16, with two of these notices relating to unsuitable and insufficient SMS<sup>4</sup>.

## Mainline: Network Rail

Overall – the maturity ratings are generally static and are at levels 2 and 3. These overall ratings conceal considerable variations – from the lowest, 'ad hoc', to the highest, 'excellent'. Within the continued assessment of the Network Rail SMS, there were some discrete areas of improvement in 2015-16 around 'governance' and 'audit', but some aspects deteriorated.

<sup>4</sup> <http://orr.gov.uk/what-and-how-we-regulate/health-and-safety/health-and-safety-enforcement>

18. Our inspections found that risk controls were not always consistent, or reliably achieved simply by compliance with standards and procedures. We found examples of staff not complying with company rules, requiring us to take enforcement action to drive improvements on areas such as management of manual handling, slip, trip & falls and weaknesses in risk controls at some level crossings.

19. 2015-16 saw the introduction of a number of initiatives with the potential to significantly improve risk control on the network. Planning and Delivering Safe Work (PDSW) met with implementation problems within the maintenance function, causing its trial roll-out to be paused. Business Critical Rules and associated role-based competence regimes have been slow to embrace all asset areas and ineffective where they have been implemented. Network Rail's implementation of these potentially transformative changes at route level was not consistent and sometimes proved ineffective.

20. We have seen several potentially very serious incidents, including some where the cause related to Network Rail's management of aging infrastructure. These incidents highlighted the need for a precautionary approach to deal with uncertainties.

21. We also identified weaknesses in staff training and the monitoring of training.

## Mainline: Train Operating Companies (TOCs)

Our ability to analysis RM3 assessments since 2010 has allowed us to have meaningful dialogue with individual companies, Owing Groups and ATOC this shows that some TOCs have reached excellence in over 50% of the RM3 criteria as well as identify areas of weakness across Owing Groups and the sector.

22. Our work with TOCs includes an assessment of their safety certification and authorisation documentation. During this assessment we identify priority risk areas for future supervision activities and where necessary examine the change arrangements in place to allow a safe transition from one operator to another at franchise change.

23. Our supervision programmes are all derived from our strategic priorities and each TOC receives a supervision programme where RM3 is used to assess the effectiveness of their SMS.

24. Our supervision activities are driven by standardised RM3 evidence matrices for our key risk topics (e.g. train crew management, rolling stock maintenance and train dispatch etc.). This ensures we are able to apply the approach consistently across the train operating community.

25. We have worked with ATOC to produce a suite of RM3 evidence matrices which are available to both inspectors and TOCs. We are currently working with ATOC and a technology and training company specialising in all aspects of competence management for the railway Industry to produce an online app for use in the field.

26. A significant number of TOCs also use RM3 to assist their audit programmes or to assess their progress against health & safety plan objectives. Virtually all others have plans in place to start using RM3 in the near future.

27. Our RM3 assessments on each topic (e.g. change management) are shared with industry. We highlight good practice and identify areas of weakness and opportunities common improvement.

28. Our RM3 data is available to all TOCs to allow them to identify their own performance against RM3 criteria and highlight areas for improvement.

## Mainline: Freight Operating Companies (FOCs)

We were generally satisfied with freight operators' safety management systems, with performance at consistently acceptable levels.

29. Our inspections in 2015-16 focused on freight operators' arrangements for managing loading and unloading of trains effectively, and in compliance with ROGS. This included analysing the ability of freight operators to deliver excellence in leadership, written SMS, supporting standards, competence management, risk assessment, safe systems of work, monitoring, and incident management.

30. Our assessment of operators using RM3 assessment criteria found consistent level 3 'standardised' to level 4 'predictable' scores. We found most operators generally complied with ROGS.

31. In 2016-17 we will continue to focus our inspection of arrangements for effective loading and unloading of trains. We will capture the results of these inspections within the relevant freight operators' annual RM3 reports.

## Transport for London – London Underground

TfL duty-holders (London Underground, Docklands Light Railway Limited, TfL Rail and London Overground Rail Limited) and in particular London Underground, have demonstrated industry good practice in the adoption of RM3 and evidence continuous improvement of the SMS by the activity of the RM3 TfL model.

32. London Underground has sought to improve its SMS by integrating the RM3 model into its assurance process and adapting the RM3 model so that it is bespoke for TfL (RM3 TfL). This includes using the European Foundation of Quality Management (EFQM) to better inform performance outputs of their SMS. A representative from LUL will join the cross-industry RM3 governance board to inform our work and development of RM3.

33. From an initial assessment in 2013-14, LUL identified a number of recommendations to improve its SMS and aligned these recommendations in its safety improvement plan.

34. We have provided briefing in the use of RM3 to facilitate TfL duty holder's implementation of RM3 assessments and have continued to support RM3 TfL in our inspection regime of TfL duty holders.

35. We will also work collaboratively with TfL duty holders in 2017 when they conduct further RM3 TfL assessment of their SMS.

## Trams and light railways

In 2015/16 we invited tramway operators to attend the RM3 workshop with a view to encouraging up take of the model as part of their own SMS audits. We will continue to work with the sector to evaluate how well the tram sector responds.

36. We continue to engage with tram operators at senior management level to analyse safety performance and progress with their annual safety plans and there is a commitment for continuous improvement in most of the operator's safety policy statements and annual plans.

## Heritage railways

We will continue to promote the use of RM3 assessments of operators' safety management systems (SMS) to identify weaknesses and target improvement. We will encourage all heritage operators to have strong and effective safety management systems, staff competence and board governance arrangements in place.

37. The heritage sector in liaison with HRA, strive to maintain high safety standards in all their operations whilst ensuring that staff training and preserving traditional skills remain a key priority in improving their health and safety culture.

38. We have continued to encourage the HRA to take a greater leadership role over its sector, particularly maintaining and achieving compliance with HRA's core guidance and standards for the industry. We continue to liaise with the HRA's committees, such as, the operating and safety committee, who produced many new and revised guidance notes during 2015.

39. We maintained our focus on getting heritage operators to maintain, develop and comply with their own customised SMS. More remains to be done to bring operators' SMS up to an appropriate standard. Crucially, our focus is on getting operators to develop and maintain strong board governance and staff competency arrangements themselves. We continue to maintain our support to the sector by hosting workshops to communicate new initiatives.

## Rail Safety and Standards Board (RSSB)

40. We continue to participate as an observer on RSSB's board and various RSSB-facilitated groups that work to collaboratively manage risk effectively within the industry. These oversee, or make decisions about, the mainline industry's standards and research.

41. In January 2016, RSSB issued 'Leading health and safety on Britain's railway', a persuasive document which we support fully. It sets an agenda for collaborative working in the sector to help meet its increasing growth and change management safety challenges and to improve workforce health and wellbeing.

<b>Glossary of terms</b>	
<b>Acronym</b>	<b>Definition</b>
ATOC	The Association of Train Operating Companies
CSM	Common Safety Method
HRA	Heritage Rail Association
LU	London Underground
ORR	Office of Road and Rail
RAIB	Rail Accident Investigation Branch
RIDDOR	Reporting of Injuries, Disease and Dangerous Occurrences Regulations 2013
RM3	Risk Management Maturity Model
ROGS	Railway and Other Guided Transport Systems (Safety) Regulations 2006
SA	Safety Authorisation
SC	Safety Certificate
SMS	Health and Safety Management System
TFL	Transport for London. This includes: London Underground, Docklands Light Railway Limited, TfL Rail and London Overground Rail Limited.



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