

# The restructuring of Health & Safety within Highways & Transportation

Date: 10<sup>th</sup> July 2024

Report of: Civil Engineering Manager (Flood Programme)

Report to: Chief Officer Highways & Transportation

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

## Brief summary

The management of the Leeds highway network is a high risk activity, with Council staff and contractors operating in this environment 24hrs a day, 365 days a year. This risk environment needs constant and detailed management to protect against potential deaths and serious injuries and any legal and reputation implications which could follow.

At the same time the Council currently faces acute financial challenges, particularly with regard to its revenue budget. Accordingly, this report proposes changes to how the Highways & Transportation (H&T) service resources the management of its health and safety risks on the highway, to ensure that the Council can continue to manage the risks involved and deliver revenue savings to help mitigate the current pressures being faced.

Over the last three years, H&T have spent an average of over £260,000 per annum on health and safety resource through the use of external agency staff, consultant suppliers and one post supplied internally by Strategy & Resource. The balance of this resource is split approximately £140k charged to revenue and £125k charged to capital schemes.

This report recommends that an inhouse health and safety team is created within H&T at an annual cost of £215,320 ((split 30% time charged to revenue (£64,596 / 70% to capital projects (£150,724)). By employing the H&S resource direct and dispensing with agency and consultant resources the Council can:

- secure the health and safety resources required in a high risk area;
- charge 70% of their time to capital schemes being worked on to reduce the revenue requirement from £140k to £65k; and
- through the charge out rates established create an additional fee to offset H&T overheads.

## Recommendations

- a) The Chief Officer Highways & Transportation is requested to note that Strategy and Resources will transfer the finance for a SO2 graded post to H&T for this position to be recruited and line managed by H&T; and

- b) The Chief Officer Highways & Transportation is recommended to approve the recruitment, finance and line management of four other posts graded at PO6, PO4 (x2) and C1-PO1 which together with the SO2 graded post financed by Strategy and Resource will create a new health and safety team consisting of five posts.

### **What is this report about?**

- 1 In 2024/25 the H&T capital programme is £118 million as a minimum with messaging from the Combined Authority indicating that Leeds City Council (LCC) will be asked to deliver for other areas of the region too. The volume of work delivered by H&T coupled with its high risk nature places the Service in a vulnerable position. A recent Magistrates court case which concluded in May this year between the Health and Safety Executive and Bam Nuttall (a H&T contractor) has further reinforced an understanding of the financial consequences which arise when health and safety issues occur. In this case Bam Nuttall whilst working on a LCC project were fined £4million.
- 2 Strategy & Resources have restructured their Service. Subsequently their offering is now a career graded health and safety officer who will provide co-ordination between H&T and Strategy and Resource along with working in other areas too, and the transfer of finance for a SO2 graded post to be recruited and line managed by the H&T Service. This resource partially assists with the gap analysis that has been undertaken meaning the residual ask is for H&T to recruit, manage and finance the following posts: 1x PO6 Manager; 2x PO4 Advisors; & 1x C1-PO1 Apprentice. These roles which along with the recruitment of the SO2 Strategy and Resource funded post will create a H&T health and safety team of five who will work closely with the co-ordinator from Strategy & Resource.
- 3 Increasing health and safety resource within H&T will provide clear demarcation of accountability and enable the requirements of the Service to be prioritised.
- 4 A gap analysis with all members of the extended senior management team within H&T has shown that there are a significant number of areas in relation to health and safety which would benefit from increased resource. Although not an exhaustive list, the following activities have been identified:

Risk assessments

Checking of CDM compliance

Assistance with Principal Designer execution plans

Assistance with Principal Contractor execution plans

Closer working with contractors

Planned site inspections

Reactive site inspections

Audits

Monthly meetings with managers

Development of management plan

Report at management meetings

Investigating accidents

Investigating near misses

Assistance with claims

Liaison with HSE

Exploration of innovation

Service steering group

Supplier steering groups

Regional steering groups

CPD and industry feedback  
Promotion of wellbeing initiatives  
Training for new starters  
General training  
Practice of emergency drills  
Toolbox briefings

### **What impact will this proposal have?**

- 5 The proposal would enable the Chief Officer for Highways & Transportation to take a holistic view of the best approach to ensure all required activities in relation to health and safety within the Service are undertaken and seek efficiencies through changes to working processes and practices.
- 6 Increasing capacity to work on the gaps identified brings the opportunity for more activities to be undertaken on capital funded projects and for the roles to become income generating. The proposal is therefore self funding for H&T.
- 7 Additionally, with an increase in capacity external expenditure could be reduced. For example, the new team would undertake more of the roles which are filled by external consultants on some projects (Leeds Flood Alleviation scheme, East Leeds Orbital Route etc). Furthermore, the new team would offer in-house health and safety training as opposed to the current situation whereby external providers are sourced.
- 8 If the proposal is approved, the new team of health and safety resource would retain a close working relationship with colleagues in Strategy and Resources in aligning processes to corporate approaches. A career graded health and safety officer has been appointed by Strategy and Resources who is tasked with providing co-ordination between H&T and Strategy and Resource along with working in other areas. A structure showing all of the posts referenced within this report is attached as Appendix A.
- 9 In consideration of the impact on equality, diversity, cohesion and integration an Equality Impact screening has been conducted and no impact has been highlighted. A copy of the screening is attached as Appendix B to this report.

### **How does this proposal impact the three pillars of the Best City Ambition?**

Health and Wellbeing       Inclusive Growth       Zero Carbon

- 10 The proposal seeks to support the effective and efficient delivery and maintenance of the initiatives delivered by the H&T Service.

### **What consultation and engagement has taken place?**

Wards affected:

Have ward members been consulted?       Yes       No

- 11 A gap analysis has been undertaken with all members of the extended senior management team within H&T.
- 12 Consultation on the initial proposal has been with the Head of Engineering and Infrastructure for Highways and with the lead Finance Officers with oversight for the finances and budget responsibility of the City Development Directorate.

13 The Head of Health, Safety & Wellbeing (Strategy & Resources) and the Health & Safety Business Partner officer for H&T have been consulted and are fully supportive of the proposal.

14 Trade unions were consulted about the proposals on 22<sup>nd</sup> April and 29<sup>th</sup> April and positive responses in support of the proposal were received on the same dates.

### What are the resource implication

15 Over the last three years, H&T have spent an average of over £260,000 per annum on health and safety resource through the use of external agency staff, consultant suppliers and one post supplied internally by Strategy & Resource. The balance of this resource is split approximately £143,000 charged to revenue and £125,000 charged to capital schemes. The table below provides a cost breakdown of this position.

Post	Grade	FTE	Revenue cost to H&T	Costs charged to Capital schemes	Total
Health & Safety Support Officer	SO2	1.0	46,204	0	£46,204
External agency and consultant staff	-	varies	97,000	125,000	£222,000
<b>Totals</b>		<b>varies</b>	<b>143,204</b>	<b>125,000</b>	<b>£268,204</b>

16 Through the restructuring of Strategy & Resources, as of 2024/25 H&T will no longer be charged for the SO2 graded post and will now also have access to a career graded health and safety officer. Both of these posts are to be funded by Strategy and Resource.

17 This report recommends that an inhouse health and safety team is created within H&T at an annual cost of £215,320 (split 30% time charged to revenue / 70% to capital projects). The table below provides a cost breakdown of the proposed recommendations described in this report.

Post	Grade	FTE	Revenue cost to H&T	Costs charged to Capital schemes (based on 70% productivity)	Total	Surplus generated to cover H&T overheads
Health & Safety Support Officer (to be recruited)	SO2	1.0	0	0	0	0
Health & Safety Officer	Career grade	0.5	0	0	0	0
External agency and consultant staff	-	0	0	0	0	0
Health & Safety Manager (to be recruited)	PO6	1.0	18,455	43,063	61,518	£17,676
Health & Safety Advisor (to be recruited)	PO4	2.0	32,984	76,964	109,948	£32,622

Health & Safety Apprentice (to be recruited)	C1 to PO1	1.0	13,156	30,698	43,854	£883
<b>Totals</b>		<b>5.5</b>	<b>64,595</b>	<b>150,725</b>	<b>215,320</b>	<b>51,181</b>

18 By employing the H&S resource direct and dispensing with agency and consultant resources the revenue costs to H&T are reduced by £78,609 and a £51,181 surplus fee can be generated. A surplus fee can be produced as the rates used to charge cost to capital not only include direct employee costs but also include other costs such as IAS 19 (pension adjustment) and direct overheads incurred by the service to deliver the programme.

19 Additionally, although not a revenue saving, by fully resourcing activities in house there will be a saving to the capital programme which is the difference between the cost of external resource and an in house team. The comparable cost of an equivalent external team to fulfil the gap analysis has been conservatively estimated at £530,000 per year.

### **What are the key risks and how are they being managed?**

20 Ensuring that all activities associated with the H&T Service are undertaken in a safe manner is a key priority for the Council. Statistics for accidents in the workplace alone demonstrate that the impact for both 'human' and 'financial' costs are huge whilst intervention by the Health & Safety Executive and damage to an organisation's reputation leads to further significant costs.

21 If the proposal is not approved then the identified health and safety gaps will remain unresolved and the benefits, cost savings and income generation outlined in this report will not materialise.

### **What are the legal implications?**

22 The proposal contained within this report is an administrative decision within the scheme of delegation and is not subject to call in.

### **Options, timescales and measuring success**

#### **What other options were considered?**

23 If the gaps identified are to be resolved, the alternative option would be to buy in the required service from an external provider although this would be at a higher cost to the Council. Otherwise, the current service can be maintained without change however the general belief of senior managers is that it is in the best interests of the Council for the recommended option to be pursued.

#### **How will success be measured?**

24 Success will be identifiable through an increase in the amount of health and safety activities that are undertaken within the Highway & Transportation service.

#### **What is the timetable and who will be responsible for implementation?**

25 The formal transfer of the Health & Safety Advisor would be effective as soon as reasonably practicable following the approval of the recommendation. Recruitment of the other posts would occur as soon as is practicable.

### **Appendices**

- Health & Safety team structure.
- Equality Impact screening.

Chief Officer Strategy & Resources

Health & Safety Officer  
(funded by Strategy & Resources)

provides 0.5 FTE co ordination from central services

Chief Officer Highways &  
Transportation

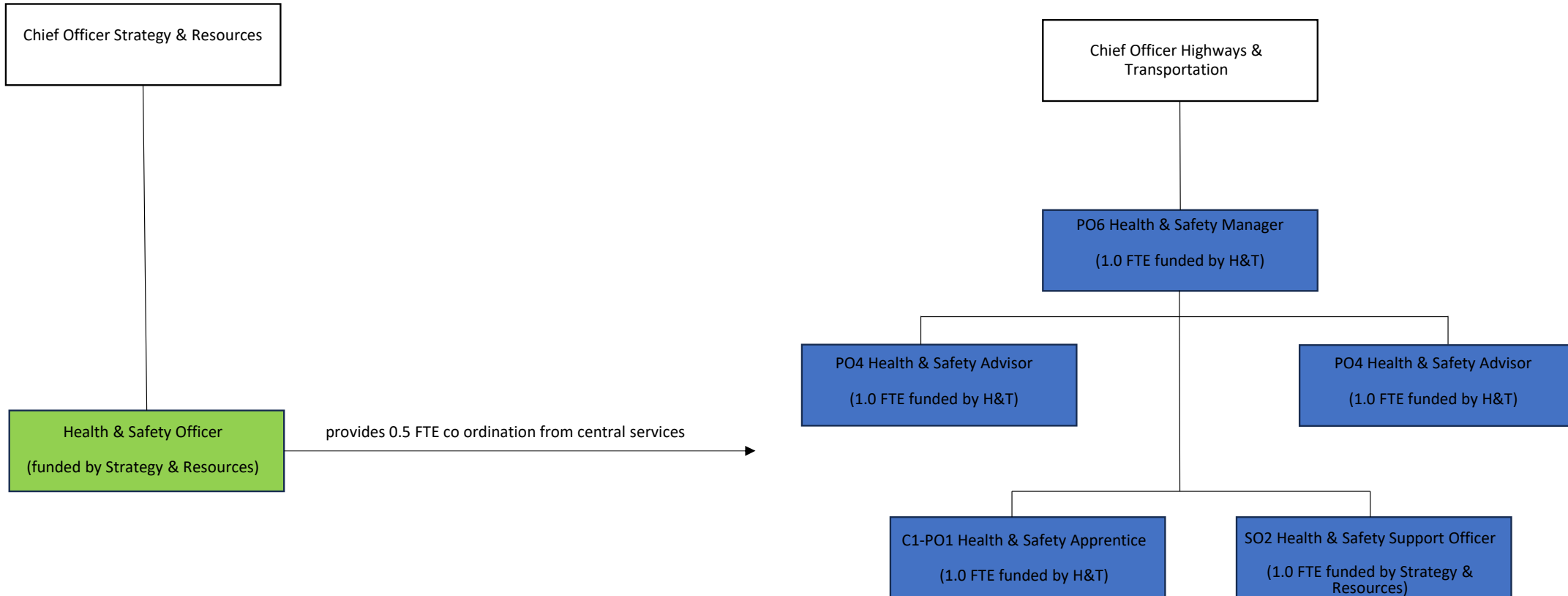
PO6 Health & Safety Manager  
(1.0 FTE funded by H&T)

PO4 Health & Safety Advisor  
(1.0 FTE funded by H&T)

PO4 Health & Safety Advisor  
(1.0 FTE funded by H&T)

C1-PO1 Health & Safety Apprentice  
(1.0 FTE funded by H&T)

SO2 Health & Safety Support Officer  
(1.0 FTE funded by Strategy &  
Resources)



## Equality, Diversity, Cohesion and Integration (EDCI) screening

As a public authority we need to ensure that all our strategies, policies, service and functions, both current and proposed have given proper consideration to equality, diversity, cohesion and integration.

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions. Completed at the earliest opportunity it will help to determine:

- the relevance of proposals and decisions to equality, diversity, cohesion and integration.
- whether or not equality, diversity, cohesion and integration is being or has already been considered, and
- whether or not it is necessary to carry out an impact assessment.

<b>Directorate:</b> City Development	<b>Service area:</b> Civil Engineering
<b>Lead person:</b> Richard Dennis	<b>Contact number:</b> <a href="mailto:richard.dennis@leeds.gov.uk">richard.dennis@leeds.gov.uk</a>

**1. Title:** The restructuring of Health & Safety within Highways & Transportation

Is this a:

**Strategy / Policy**

**Service / Function**

**Other**

**If other, please specify**

**2. Please provide a brief description of what you are screening**

This proposal is for an inhouse health and safety team to be created within H&T at an annual cost of £215,320 ((split 30% time charged to revenue (£64,596 / 70% to capital projects (£150,724)). By employing the H&S resource direct and dispensing with agency and consultant resources the Council can:

- secure the health and safety resources required in a high risk area;
- charge 70% of their time to capital schemes being worked on to reduce the revenue requirement from £140k to £65k; and
- through the charge out rates established create an additional fee to offset H&T overheads.

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### 3. Relevance to equality, diversity, cohesion and integration

All the council's strategies and policies, service and functions affect service users, employees or the wider community – city wide or more local. These will also have a greater or lesser relevance to equality, diversity, cohesion and integration.

The following questions will help you to identify how relevant your proposals are.

When considering these questions think about age, carers, disability, gender reassignment, race, religion or belief, sex, sexual orientation. Also those areas that impact on or relate to equality: tackling poverty and improving health and well-being.

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?		x
Have there been or likely to be any public concerns about the policy or proposal?		X
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?		X
Could the proposal affect our workforce or employment practices?		X
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"><li>• Eliminating unlawful discrimination, victimisation and harassment</li><li>• Advancing equality of opportunity</li><li>• Fostering good relations</li></ul>		x

If you have answered **no** to the questions above please complete **sections 6 and 7**

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

### 4. Considering the impact on equality, diversity, cohesion and integration (EDCI)

• How have you considered equality, diversity, cohesion and integration?

• Key finding

• Actions



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**5. If you are **not** already considering the impact on equality, diversity, cohesion and integration you **will need to carry out an impact assessment**.**

Date to scope and plan your impact assessment:	N/A
Date to complete your impact assessment	N/A
Lead person for your impact assessment (Include name and job title)	N/A

**6. Governance, ownership and approval**

Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Richard Dennis	Civil Engineering Manager	10/07/24
<b>Date screening completed</b>		June 2024

**7. Publishing**

Though **all** key decisions are required to give due regard to equality the council **only** publishes those related to **Executive Board, Full Council, Key Delegated Decisions** or a **Significant Operational Decision**.

A copy of this equality screening should be attached as an appendix to the decision making report:

- Governance Services will publish those relating to Executive Board and Full Council.
- The appropriate directorate will publish those relating to Delegated Decisions and Significant Operational Decisions.
- A copy of all other equality screenings that are not to be published should be sent to [equalityteam@leeds.gov.uk](mailto:equalityteam@leeds.gov.uk) for record.

Complete the appropriate section below with the date the report and attached screening was sent:

For Executive Board or Full Council – sent to <b>Governance Services</b>	Date sent: []
For Delegated Decisions or Significant Operational Decisions – sent to appropriate <b>Directorate</b>	Date sent: []
All other decisions – sent to <a href="mailto:equalityteam@leeds.gov.uk">equalityteam@leeds.gov.uk</a>	Date sent: []