Safety, Sustainability and Human Resource Panel

Date: **15 November 2023**

Item: **Enterprise Risk Update – Inability to Deliver Safety Objectives and Obligations (ER1)**

This paper will be considered in public.

1   Summary

1.1   This paper is part of the annual review of our Enterprise Risk 1 – Inability to deliver safety objectives and obligations (ER1) and provides an updated assessment and status of ER1. We last provided an update on ER1 in June 2022, with further information on our approach to managing ER1 in November 2022.

1.2   Since our last update, there have been changes to the definitions of the Enterprise Risks. ER1 used to cover TfL Safety, Health and Environment (SHE) risk, but now focusses only on Safety, with Health and Environment being covered in Enterprise Risk 2 (Attraction, retention and wellbeing of our employees) and Enterprise Risk 3 (Environment including climate change adaptation).

1.3   ER1 captures the scope of our full safety risk profile across TfL's activities including compliance with safety regulations and standards, prevention of safety incidents and the meeting of strategic Vision Zero objectives.

1.4   This paper outlines the improvements made in managing ER1 in the last year including alignment with TfL's Strategy and clearer risk cascade, the current assessment of ER1, and next steps for continued improved management and mitigation of ER1.

1.5   Information is included in Part 2 of the agenda, which contains exempt supplemental information pertaining to the strategic risk deep dive. The information is exempt by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the business and financial affairs of TfL. Any discussion of that exempt information must take place after the press and public have been excluded from this meeting.

2   Recommendation

2.1   The Panel is asked to note the paper and the exempt supplementary information on Part 2 of the agenda.

3   Progress since last year

3.1   We provide updates on our Enterprise Risks at appropriate intervals. This ER1 update covers the period June 2022 – August 2023.

3.2 Considerable progress has been made in delivering our plan to improve the management of ER1 over the last year, including:

(a) the launch of our TfL Strategy, including a spotlight on safety making clear our safety ambitions, and communicating how all our wider strategies, activities, and action work together to achieve our ambitions. The spotlight helps explain what is being delivered or what is important to do in our everyday activities to deliver strategic outcomes. Linking strategies to tangible actions and the contributions colleagues can make in their everyday roles helps demonstrate that safety really is a joint effort and encourage further engagement and challenge;

(b) establishing the pan-TfL Executive Committee Safety sub-group, providing sight and governance of safety issues across the value chain at Executive and Director level to consider the full picture of safety and coordinate direction of actions and resources for safety management and improvement;

(c) the launch of our new, simplified, accessible digital SHE Management System (SHEMS) that makes clear the safety requirements and procedures we must follow to better manage and reduce risks;

(d) continued roll out of our digital assurance tools to capture and report on compliance with SHEMS requirements and processes and provide direction for improvement action;

(e) development, launch and roll out of our required SHE training requirements for all eligible colleagues;

(f) introduction of further leading indicators to consider the 'bigger picture' of safety performance. Indicators help us better understand compliance and culture, to spot warning signs and areas of risk before incidents occur. For example, improved visibility of participation in our SHE leadership engagement tours, assurance information relating to compliance with the SHEMS, safety training and safety action completion rates;

(g) roll out of the SHE Cultural Maturity Model assessment across different business areas, after a successful pilot, to help them understand the issues affecting culture and devise continued improvement actions;

(h) rolling programme of strategic deep dives into our top areas of greatest risk to ER1. These include the launch of the Pan-TfL Fatigue Management Plan, understanding slips trips and falls across all modes, escalator entrapment, and track access risks to diagnose issues, develop targeted improvements and learn lessons across modes and from wider stakeholders and industries;

(i) development of the Public Transport and Bus Safety Strategies, and continued delivery of our Vision Zero Action Plan for Road Risk supporting the overarching TfL Strategy; and

(j)   agreement on the approach to cascade ER1 to Level 1 and Level 2 ensuring there is sight across and through the business of how we manage safety risk at every level and allocate resources and actions to the right parts of the value chain.

4   Current Status: ER1 Assessment of Risk

4.1   Despite the ongoing progress, our ER1 assessment remains as 'Above Tolerance' and our controls continue to 'Require Improvement'.

4.2   There are three main themes driving this assessment.

Preventing Major Safety Incidents: Assurance of Risk Controls

(a)   prevention is dependent upon existence, awareness and implementation of adequate safety management system requirements, processes and controls. As noted above, we have delivered a new digitised SHEMS, but work continues to assure compliance with these requirements across the business and associated reporting and governance to address any gaps;

(b)   the lessons we have learned from the inquest into the death of Christian Tuvi, and the hearing and sentencing remarks in relation to the Sandilands tragedy and wider incidents continue to be implemented as part of our comprehensive safety strategies and action plans;

Further detail on the lessons and actions arising from the Sandilands sentencing hearing and remarks, and more detail on specific approaches to managing safety risks is included in the separate paper 'Safety Risk Management on TfL Services', also on the agenda for this meeting;

Meeting Safety Commitments: Targets

(c)   we have ambitious safety targets in the form of Vision Zero for Road Risk, Customers and Colleagues, and are uncertain that we will meet our targets for zero killed or seriously injured for Colleagues by 2030 and Roads and Customers by 2041;

(d)   we do not accept that death or serious injury is inevitable or acceptable on our network. Improvements have been made, but while we are still seeing people killed and seriously injured on our network, the risk remains above tolerance;

Resources: Maintaining the Status Quo and Closing the Gap to Vision Zero

(e)   while there are some years to go to our 2030 and 2041 targets, a significant gap still exists between current and required performance at the same time as continued limitations on financial capital expenditure and operational expenditure resources;

(f)   considerable investment is required not only in new improvement schemes to turn the dial on Vision Zero, but also in new technology and technical safety improvements to ensure we improve, maintain and protect the steady state of our assets, operations and risk management processes; and

(g)   resource limitations impact both our ability to maintain steady state prevention of incidents and meet Vision Zero outcomes.

4.3   We are risk averse when it comes to safety and our risk appetite and tolerance for ER1 is low. We do not accept serious harm to customers and colleagues, or breaches of safety regulations.

4.4   ER1 risk management is a complex and continual process, and as detailed in our plan and summarised above, we have a range of controls and mitigations. Some are ongoing and necessarily long term, requiring constant and dynamic assessment and intervention to respond to changing environments and external influences. Others, including infrastructure and cultural change programmes are delivered over months and years. Ongoing monitoring of performance or external influences means we also identify and need to respond to new challenges.

4.5   While we do make progress, it is highly likely the risk status will remain as above tolerance as we strive to continually improve and not be complacent.

5   Managing Safety Risk Through ER1: Controls and Actions

5.1   Our progress to date, longer term plans and strategies and the latest review of the ER1 Risk Assessment have led to a review and reset of both our preventative controls to reduce the risk of injury or harm occurring and mitigatory controls to support limiting the further impact or severity should a risk turn into an issue.

5.2   This section outlines the controls, actions, and next steps we will continue to take reflecting our ER1 Management Plan and alignment with the TfL Strategy and Safety Spotlight.

Preventative

5.3   Continue to tighten and improve safety governance structures and processes, including clear understanding, communication and cascade of safety accountabilities, review of terms of references and tighter monitoring of performance and meeting action close out.

5.4   SHE Culture and leadership engagement programme delivery. To ensure safety remains a demonstratable priority by developing our leaders at all levels of the business. Also, to ensure that SHE Culture is measurable and understandable to enable a continuous improvement approach to culture maturity to be adopted through the SHE Culture programme.

5.5   Continual improvement, revision, and communication of the SHEMS content in line with effective practice, and ongoing monitoring of compliance with SHEMS requirements.

5.6   Communication of a risk-based safety assurance framework and guidance for use to support compliance with SHEMS and wider safety requirements. Assurance activities will also be used to continue the development and use of leading indicators and insight to support prevention of incidents.

5.7 Implementation, communication and training on new, more effective systems for capturing, managing and reporting safety, e.g. incident reporting and risk assessment systems.

5.8 Updated evidence and risk based robust long term action plans for closing the gap to Vision Zero, including strategic consideration of the resourcing required to deliver Vision Zero actions as per the plans across the business. This includes the ongoing deep dives into key safety risks to support understanding and effective targeted action.

Corrective

5.9 Improvements to process and capacity for formal and local investigations and lessons learnt, including stronger sponsorship of investigations and reports, action tracking and dissemination of lessons learned.

5.10 Risk-based assurance of safety requirements in response to insight from indicators and post implementation evaluation of interventions to ensure they are delivering the benefits and are effective.

5.11 Effective and efficient post incident decision making and procedures / processes, ensuring the SHEMS adequately covers emergency and post-incident planning / response and is understood.

5.12 Continued fostering of relationships with third parties / stakeholders enabling close liaison to ensure effective decisions making and appropriate response to incidents.

6   Next steps

6.1 Due to the need to continually rollout risk management improvements, ensuring full compliance with our new SHEMS, uncertainty about meeting Vision Zero targets and lessons we continue to embed from serious incidents, ER1 remains assessed as 'Requires Improvement'.

6.2 However, lessons learned over the year and progress in the SHE department has led to several opportunities to be realised in revising our approach to the management of ER1 to more efficiently and effectively mitigate SHE risk and deliver our outcomes. We will be working this year to progress our overall ER1 management plan to further:

(a) strengthen safety governance, accountability, and application of lessons;

(b) increase targeted communication and assurance of the implementation of our simplified SHEMS requirements and risk controls; and

(c) deliver the Safety elements of our TfL Strategy and action plans.

6.3 We will come back to the Panel at appropriate intervals to update on specific safety topics, workstreams and progress.

List of appendices to this report:

A paper containing exempt supplementary information is included on Part 2 of the agenda.

List of Background Papers:

Previous papers to the Panel, presented in June 2022 and November 2022

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