

Health and Safety Policy Standard

CAG/STAN/FI

Issue Date:

1st January 2006

Authority:

Chief Executive, Serco Group plc

Applicability:

Serco Group covering all business divisions, operating companies and business units throughout the world

Executive Summary

Serco is committed to maintaining a safe, healthy and sustainable environment wherever we operate. Today, technological progress and intense competitive pressures bring rapid change in working conditions, work processes and organisation. Legislation is essential but insufficient on its own to address these changes or to keep pace with new hazards and risks. Serco must be able to tackle occupational safety and health challenges continuously and to build effective responses to the changing world of work. This policy standard will support this effort and sets out the framework within which Serco will manage occupational health and safety.

Within Serco the management of health and safety is about creating a culture dedicated to eliminating near misses, accidents at work and work related ill health. Implicit in this is a high level of health and safety awareness.

The primary focus for health and safety rests with the business unit concerned, ensuring that all health and safety issues are identified and satisfactorily managed. This policy standard includes details on the standards required for effective health and safety management systems and where necessary working to our customers systems.

All staff have both a moral and legal duty to look after the health and safety of themselves, fellow employees and everyone with whom they come into contact.

This policy standard was prepared on the basis of a broad-based approach involving a number of stakeholders. It has also been shaped by internationally agreed occupational health and safety principles as defined in relevant international standards.

I Introduction

This Policy Standard sets out the minimum requirements in the way in which health and safety management is to be performed throughout Serco and its associated companies. It defines the aims and objectives and the documentary framework for the management of health and safety as defined in the Serco Management System and Serco's Health, Safety and Environment Policy Statement.

This policy standard is applicable to all activities and contracts undertaken by Serco, its business divisions, business units and any companies owned, or controlled, by Serco Group where no other equivalent documentation exists.

I.1 Definitions

The standard definitions set out in OHSAS 18001:1999 "Occupational Health and Safety Management Systems – Specification" have been used.

2 Commitment and Objectives

Serco is committed to maintaining a safe, healthy and sustainable working environment wherever we operate – for our people, our customers, our partners and contractors, those we are employed to serve and the public. Everybody who works for Serco, anywhere, is responsible for meeting this requirement.

Our commitments are to:

- seek to achieve zero harm to people and minimal impact on the environment through our business operations
- systematically manage health, safety and environmental matters
- rigorously audit and review the safety implications of our activities
- minimise the consumption of energy and global resources and the generation of non-recyclable waste
- promote the occupational health and welfare of staff
- consult with staff and encourage active participation at all levels within our businesses
- learn and benefit from our experiences and the experiences of others
- cooperate fully with all stakeholders where we share responsibilities, premises or activities
- promote a culture in which all Serco staff share these commitments.

To achieve these commitments we will develop, implement and maintain effective management systems and processes that enable us to:

- identify, assess and manage hazards, impacts and risks from our activities and services

- meet and, where appropriate, exceed applicable legal and other requirements
- train and deploy competent people and allocate responsibilities and tasks commensurate with individual skills
- set, achieve and report against objectives and targets to demonstrate continual performance improvement
- identify areas for improvement through comprehensive incident reporting and investigation
- maintain a culture to encourage the free and honest reporting of health, safety and environmental issues.

3 Principles

The effective management of health and safety is about creating within Serco a culture that is dedicated to eliminating accidents and near misses in the workplace and work-related ill health. Implicit in this is a high level of health and safety awareness. Such a culture will contribute to the physical and mental well-being of our staff members, to the benefit of themselves and their families as well the Company. It will also assist in ensuring that, at all times, the Company is compliant with statutory requirements.

Whilst Serco operates a devolved management culture we recognise that we all hold a responsibility for health and safety. All staff have a moral and legal duty to look after the health and safety of themselves their fellow employees, and everyone with whom they come into contact whilst carrying out their duties. This also includes a "duty of care" to give advice and assistance, if necessary, to customers to enable them to meet the same health and safety criteria.

The primary focus for health and safety is the acceptance of responsibility at the business unit level for ensuring that all relevant health and safety issues are identified and satisfactorily managed. Effective health and safety management results from a formal and systematic approach that ensures all risks have been identified, assessed and satisfactorily mitigated.

4 Requirements

4.1 Safety Management System

Wherever Serco operates we will:

- ensure that safety assumes priority over commercial, operational, environmental or social considerations
- clearly define responsibilities for all staff
- define and operate within an effective health and safety management system commensurate with the business risks that ensures health and safety in the workplace through a proactive approach
- clearly document the health and safety management system.

4.2 Planning and Risk Assessment

Procedures must be in place to identify health and safety hazards, assess the risks and implement necessary control measures. These procedures should cover both routine and non-routine activities and apply to everyone who has access to the workplace. This will include members of the public, visitors and contractors. The results of significant assessments should be documented and effectively communicated.

The division and business units must establish health and safety objectives and associated targets at relevant levels within the organisation. In establishing objectives and targets, the organisation must consider its legal requirements, its risks, its health and safety performance as well as business requirements. The objectives must also be consistent with the Serco health, safety and environment policy statement.

4.3 Implementation and Operation

4.3.1 Competency

Staff must be adequately trained, motivated and competent to carry out the tasks they are required to do. Recruitment and placement procedures will ensure that staff members have the physical and mental abilities for their duties or can acquire them through training and experience. Training is to include induction, task specific and refresher training and there may be a legal requirement for certificated authorisation by a recognised external body/organisation. Records of all training will be kept and reviewed periodically.

All staff will require health and safety training at various stages of their career. The actual content and refresher frequency will be determined by the risks involved with the activities they are engaged in and statutory requirements in the jurisdiction they are employed in. However, all staff should receive as a minimum training in relation to individual responsibilities for health and safety, specific hazards associated with their place of work, any specific safety procedures, fire evacuation procedures, first aid and accident reporting.

There are three groups within the company where a common thread of training activity has been identified:

- *Directors and Senior Managers* - people with strategic responsibility for determining and implementing effective health and safety management within an organisation will require training to appreciate their statutory duties and the principles of effective health and safety management. This training should be provided as soon as possible after appointment and be refreshed every three years. Typically, the course duration is one day and is designed to build on the training and experience the individual will have gained en route to a senior level within Serco.
- *Line Managers, Site Managers and Supervisors* – those required to manage safely and effectively in compliance with Serco's policy, relevant legislation and best practice must be trained in the implementation of safety management systems and procedures.
- *Health and Safety Professionals* – those employed to provide health and safety advice to line management must be competent to do so and be actively pursuing a continuing professional development scheme¹

¹ Further guidance is provided in section 7 of this standard

4.3.2 Consultation and communication

The organisation must have in place procedures for ensuring that relevant health and safety information is communicated to and from employees and other interested parties.

4.3.3 Working to Customers management systems or procedures

In situations where we are contractually obliged to operate in accordance with a customer's safety management system Serco must ensure compliance with statutory health and safety requirements. This also applies in circumstances where staff are transferred to Serco from an outgoing contractor. All business divisions and business units within the Serco Group will therefore implement the following requirements in circumstances where Serco staff are required to work to a customer's safety system and processes:

- **Tender Stage** - business development staff are to ensure that tender documents include a statement reserving the right of Serco to assess the customer's safety management system prior to the commencement of contract activities.
- **Contract Phase-in** - all aspects of the customer's safety management system will be subjected to assessment by competent people to ensure compliance with statutory requirements. Any shortcomings must be brought to the attention of the customer for corrective action. The customer's safety management system must be formally accepted by the Serco Operations Director responsible for the contract prior to commencement of the contract.
- **Contract Operation** - customer safety management system processes and procedures must be reviewed regularly and when changes to the system or work activities take place. Contract Managers are to review all changes and record their approval for use prior to introduction.

4.3.4 Operational Control

- **Competent health and safety advice** – in every business area a competent health and safety advice function should be identified with responsibility for development and maintenance of related management systems and be accountable to the highest organisational level. The highest level of the business organisation will lead in the process of ensuring effective safety management.
- **Safety Supervision** - the elimination of risks is a primary objective. If this is not practical then risks will be mitigated to the lowest level practicable. If required, safety instructions, training and guidance, including any appropriate safety equipment should be provided. It is Company policy that personal supervision should be the last line of defence in the control of health and safety risks. The requirement for personal supervision should be kept to a minimum through good management practices, organisation and control and through the example set by supervision/management. Good management practice requires periodic monitoring of all individuals to ensure that consistency of standards is being achieved.
- **Control of contractors** – the organisation must ensure that services obtained from external sources such as contractors are inherently safe and cannot become an uncontrollable risk within our business. Codes of Practice will be developed and implemented within business divisions that define the safety framework within which they will operate. All contractor staff will be briefed on site before the commencement of work. Correct safety procedures will be followed in the selection of contractors, including the

purchase of equipment and products, to safeguard members of our staff and third parties for whom we are responsible.

4.3.5 Occupational Health

Within the operation of the Health and Safety Management System, all business divisions and business units should address the following areas -

- **Health risk assessment and health surveillance** - specific occupational health risk assessments should be in place where there is a risk to the health and safety of vulnerable employees. People may be considered vulnerable because of their age, sex, hours of work, working conditions, physical condition or disability.
- **Health Assessment** - a process of health assessment should be in place to prevent the placement of any individual who has a health problem into a post where he/she is exposed to danger or may expose others to danger. In addition, reasonable necessary adjustments to the workplace or processes are made where health assessment identifies an issue.
- **Counselling and support** - procedures should be in place that allow employees to access competent occupational health/counselling services and post traumatic stress counselling when an accident/incident occurs.
- **Attendance management** - an absence notification procedure should be in place and data on sickness absence, in particular occupational conditions, should be collected and analysed to identify health issues associated with the working environment. Processes must be in place to maintain contact between managers and employees during sickness absence. On return to work, processes must be in place to ensure that the employee is fit to carry out the task for which he/she is employed. Long-term absence must be carefully monitored and where return to work is possible, an agreed re-entry strategy that allows the employee time to re-adjust to work should be in place.
- **Health promotion and well being** - appropriate programmes and/or facilities to assess and promote health and fitness should be made available. Processes must be in place to protect our people travelling outside their normal workplace from risks to their health.

4.3.6 Contingency planning

The organisation must establish and maintain plans to identify the potential for, and responses to, incidents and emergency situations and for preventing and mitigating the likely illness and injury that may be associated with them. These plans should also be periodically tested where practicable.

4.4 Performance measurement and review

4.4.1 Performance measurement

The organisation must have in place procedures to monitor and measure health and safety performance. These procedures must:

- be both qualitative and quantitative measures appropriate to the needs of the organisation

- monitor the extent to which the organisations objectives are met
- include proactive measures that monitor compliance with the health and safety management system and statutory requirements
- include reactive measures to monitor accidents, ill health, incidents (including near misses)
- be regularly reviewed to facilitate corrective and preventative action.

4.4.2 Audit

The organisation must have in place an audit programme for the periodic review of the management system conducted by personnel independent of those having direct responsibility for the activity being examined. The objective is to:

- determine whether or not the management system:
 - conforms to the requirements of this policy standard
 - has been properly implemented
 - is effective in meeting our policy and objectives
- review the results of previous audits and inspections
- report the results of the results to senior management for consideration and corrective action if necessary.

4.4.3 Management review

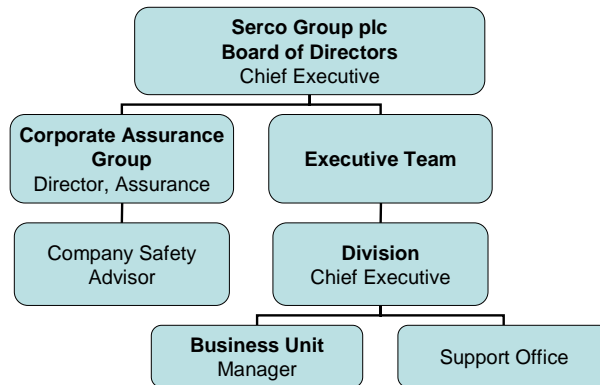
The organisations top management shall, at intervals, review the health and safety management system. This review should address the possible need for changes in policy, objectives or other elements of the management system in the light of audit results and changing circumstances.

5 Responsibility and Authority

This policy standard is issued under the authority of the Chief Executive, Serco Group plc.

The management organisation of Serco Group plc is illustrated in the following diagram.

At each location where Serco operates the relevant individuals with responsibility for health and safety will be named and prominently displayed so that all staff members can obtain the information without reference to a third party.



Health and safety responsibilities are:

- **Serco Group plc Board**
 - Board of Directors
 - to approve policy.
 - Chief Executive
 - to issue policy
- **Executive Team**
 - to approve and issue Group wide policy standards
 - ensure appropriate and adequate management resources are directed to implementing these policies and associated policy standards
- **Corporate Assurance Group (CAG)**

General

 - the formulation and control of Serco Group policy statements and associated policy standards
 - review the effectiveness of the a health & safety policy and associated policy standard
 - assure that Serco Group policies and policy standards are implemented within each business division through the design and implementation of appropriate management systems
 - support business divisions in the identification and dissemination of changes in health and safety legislation that affects, or may affect, the Company and/or its staff members and with the identification and dissemination of health and safety best practice.

Company Safety Advisor

 - assist the Directors of Serco Group in meeting their legal responsibilities for Health and Safety
 - provide specialist advice on the management of health and safety associated with contract activities worldwide in order to meet company standards and current legislation
 - provide timely advice on possible future health, safety legislation worldwide and the measures that might need to be introduced to ensure compliance
 - advise where appropriate on health and safety matters in support of proposals, acquisitions and existing contracts
 - coordinate the collection and collation of health & safety statistics for inclusion in quarterly assurance reports to the Serco Group plc Board
 - assist in the development of CAG strategy, particularly in relation to health, safety, environment or quality management.

- **Divisional Chief Executives and Directors**

- implement the policy standard, monitoring its implementation in the everyday activities of their division and report to their divisional board
- ensure appropriate management systems and procedures are designed, developed, disseminated, implemented and regularly reviewed in relation to the management of health and safety and to meet the requirements of the Serco Group policy and this policy standard
- provide sufficient resources to ensure that the procedures are capable of implementation and provide for effective control of risks
- demonstrate the same diligence and priority as in relation to any other management task
- be directly involved in the implementation of the policy and this policy standard through their actions
- ensure that where services are required to be delivered using customer systems and processes that they comply with this standard and meet statutory and regulatory requirements
- ensure that tender documents contain conditions that enable Serco to maintain control over the safety of staff and others affected by the activities of the contract
- assess the suitability of customer processes and procedures and for approving their use prior to contract start

- **Line Managers, Site Managers and Supervisors**

The majority of risks can most effectively be identified, controlled and managed at this level of the organisation. All Line Managers, Site Managers and Supervisors are responsible for ensuring that:

- safety policies are effectively implemented in the area/activity under their control. Where they are operating under a client contract they will achieve this policy through formal liaison with the client to ensure effective risk control
- regularly review customer systems and procedures that we are required to operate under to ensure their continuing suitability
- they have sufficient knowledge and understanding of, and implement, all statutory regulations relevant to the activities under their control
- risk assessments are carried out to an agreed programme and arrangements made to manage the risks in accordance with this policy. Expert assistance from specialists will be used where necessary, to assess and determine risk and to provide advice on how to reduce or control that risk
- the workplace is environmentally safe, and safe working methods are adopted with specific instructions where necessary
- personnel have adequate skills and experience and have been suitably trained to perform their work safely

- the correct equipment for the performance of a task is available and in safe and serviceable condition
- any environmental controls that are required to ensure statutory compliance are effectively implemented in the area/activity under their control
- all staff members are aware of and fully understand the Health and Safety Management Policies and specific procedures relating to their working environment
- arranging for the provision of occupational health service support for staff requiring it.
- **All Staff**
All staff members have a duty to:
 - identify potentially unsafe situations or working practices and notify their Supervisor or Manager (or the Health, Safety and Environment Manager/Area Safety Representative).
 - never perform a task that they believe is dangerous or for which they have not the experience, or received appropriate instructions and training or where the correct equipment to carry out the task safely is not available
 - work in a safe manner and in accordance with safety instructions, where applicable
 - use the work equipment supplied for the job, in accordance with the manufacturer's instructions, and any personal protective equipment, which the Company deems necessary and has provided, subject to their first being trained to the required level of competence in its use.

6 Evidence of Compliance

To demonstrate compliance with this Policy Standard, the following documentation is to be available for audit:

- Serco Group plc
 - Health and Safety Policy Standard (this document)
 - related policy statements and procedures
 - internal audit reports
 - occupational health service support records
- Serco Operating Companies
 - health and safety management system
 - procedures/work instructions
 - audit/review records
- Operating Contracts/Projects
 - health and safety management system
 - procedures/work instructions
 - audit/review records

7 Guidance

Supporting policy and guidance documentation is available on the Corporate Assurance Group intranet area of the Our World intranet (<http://ourworld.serco.com>).

The following international standards provide useful guidance on the implementation of health and safety management:

- OHSAS 18001:1999 Occupational Health and Safety Management Systems – Specification
- OHSAS 18002:2000 Guidelines for the Implementation of OHSAS 18001

Competency – The competencies referred to in 4.3.1 can be achieved in the UK by following the training syllabus set out by the Institution of Occupational Health. The course content is available through the IOSH website. (<http://www.iosh.co.uk/>).

Parallel programmes are also generally available in other regions through the nationally recognised health and safety bodies.

Professional accreditation is also available through various national programs: in the United States, Certified Safety Professional designations are issued by the Board of Certified Safety Professionals.; in Canada, Canadian Registered Safety Professional designations are issued by the Board of Canadian Registered Safety Professionals and a similar scheme operates in Australia via the Safety Institute of Australia.