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Cost Recovery Consultation Health and Safety Executive Building 2.3 Redgrave Court Merton Road Bootle Merseyside L20 7HS Date 30 August 2023

HSE Consultation on Cost Recovery – G+ Global Offshore Wind Health and Safety Organisation response

The G+ and the HSE have a shared history of improving the safety of the offshore wind industry, we welcome the opportunity to share the views of the G+ membership on the Cost Recovery Proposal. As you are aware, the G+ was founded on the principle that, by developing a data-led risk profile for the sector, we can turn the spotlight on the critical activities, locations and processes and apply our combined resources to minimise the associated risks.

Since the G+ started collecting safety performance data in 2014ⁱ, the Total Recordable Injury Rate and Lost Time Injury Frequency have decreased from 6.0 and 1.9 to 2.8 and 1.0 respectively, against a backdrop of increasing number of projects and associated workhours (Fig. 1). Throughout this period there have been no reported fatalities from G+ members' operations. Industry has been effective, with the support of an active and informed regulator, at identifying safety focus areas and improving safety performance from the design stage through to operations. According to the G+ incident data (Fig 2), the top areas for incidents and high potentials (including near-miss and hazard observations) are lifting, manual handling and working on electrical systemsⁱⁱ. These are risks that are common across many sectors and for which the G+ has developed research, guidance, implementation tools and training targeted at the unique context of offshore wind.

While the G+ recognises the risk for fatal events, scenarios in which an event would lead to multiple fatalities are largely already regulated under different regimes (e.g. vessel sinking, diving operations, helicopter transport). G+ members do consider lifting operations to be potentially high hazard activities and as such they follow the strong set of regulatory requirements in place, including proper planning by an approved competent person, and appropriate training and supervision. These requirements are also supported by an Approved Code of Practice and additional guidance from the HSE, and as such, could be considered a strongly controlled and regulated activity already, with the current FFI regime providing a suitable and sufficient response to any breach.

The G+ also recognises that the industry is evolving and with that comes a changing risk profile, however, floating projects will remain a small proportion of all UK projects for the next decade (Fig 3), and even less for hydrogen co-location, for which G+ members would expect that COMAH regulation would be in effect. Additionally, G+ members with operating floating projects do not report a poorer safety outcome when compared to their fixed projects. Nevertheless, the G+ work programme has since 2022 increasingly included projects dedicated to the changing profile for floating.

The G+ welcomes a strong regulator delivering a strategic approach and recognises that cost recovery can be an enabler to effective regulation, but this has to be proportionate. The G+ are concerned that the proposals, as presented, do not reflect the risk profile of the industry. Moreover, introducing a disproportionate cost recovery scheme could impact already low margin operations, making projects financially untenable, and thus potentially impacting the UK's ability to reach its Net Zero targets.

As such, the G+ would request that the HSE considers a cost-recovery mechanism that is both proportionate and targeted. G+ Members are particularly concerned at the lack of clarity and detail in the current proposals. The G+ requests that the HSE clarifies the implementation plans for the consulted proposal, and considers the following questions:

- Are all parties to be charged the same amount or are the fees dependant on role?
- When there are multiple duty holders, would all pay a fee related to same project/intervention?
- How would the industry costs be split between developers and when do developers fall into the category for 'full cost recovery' as there are some developers with no projects awarded yet?
- Could the industry be consulted, or informed of, the projected recruitment and costs for that which will be allocated to the industry over the coming years?
- Could the regulatory activity covered by hourly rate be further detailed? Parts of the consultation document seem to provide conflicting information.
- Would onshore construction work be regulated as offshore wind, or as general construction?
- Who would decide what the key milestones in a project are? How would that be planned?
- Do the HSE expect to cover all projects?

The G+ hopes to continue to build on the existing relationship with the HSE and would welcome participating in the Cost Recovery Review Group, should it be established. I look forward to strengthening the supportive relationship between our organisations and am grateful for the opportunity to feedback on the proposals.

Kind regards

Jakob Nielsen

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Chair of Board of Directors
G+ Global Offshore Wind Health and Safety Organisation

Supporting Figures

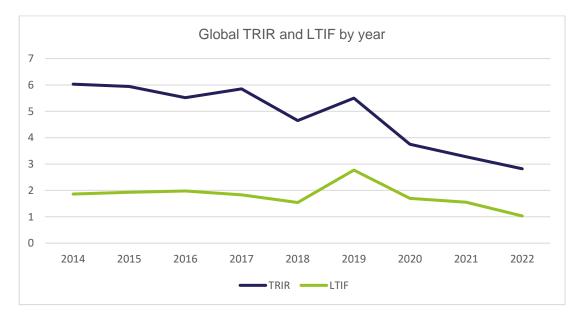


Figure 1 – Lost Time Injury Frequency and Total Recordable Injury Rate for Offshore Wind operations. Data reported by G+ members (2014 to 2022, all countries reported)

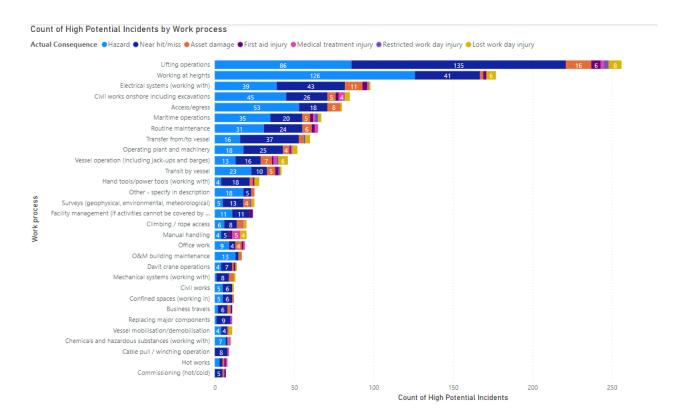


Figure 2 - High Potentials reported by G+ Members, sorted by 'Work Process' category, 2014-2022 (top 30 work processes only)

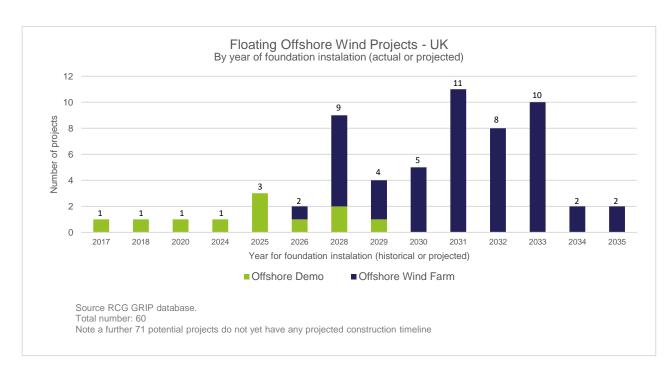


Figure 3 – Floating Offshore Wind projects in the UK, by year of (actual of projected) foundation installation

ⁱ G+ Membership, and therefore reporting, has grown over the years. In 2014 data was submitted by 8 Members, in 2022 by 11. Current Members are: bp, Corio Generation, EDF Renewables, Equinor, Iberdrola, Northland Power, Ocean Winds, Orsted, RWE, Siemens Gamesa, SSE, Vattenfall, as well as 21 Associate Members.

ii Annual data reports can be freely downloaded from the G+ website. The website also hosts a dashboard where the entire database can be search and aggregate historical data consulted. https://www.gplusoffshorewind.com/work-programme/workstreams/statistics

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Final Audit Report 2023-09-01

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