

Report on the Periodic Review of The Maritime Confidential Hazardous Incident Reporting Programme

EXECUTIVE SUMMARY

The Confidential Hazardous Incident Reporting Programme (CHIRP) promotes maritime safety by receiving and following up reports of hazardous incidents, and closing out each one with the reporter. Confidentiality is a precept of the process so, in following up the reports, the identity of the reporter is never disclosed.

Selected reports, together with commentary from CHIRP, are published in a quarterly newsletter, CHIRP MARITIME FEEDBACK, so that the lessons learned by individuals are promulgated to the wider maritime community, comprising the commercial transport, fishing, leisure and offshore sectors.

The Programme is sponsored by the Department for Transport (DfT) as part of its commitment to improving maritime safety. Although the Programme is governed by an independent Board of Trustees, the DfT does need to be assured that it is cost effective. Therefore periodic independent reviews are carried out, most recently on 4 September 2009. This was carried out by a Review Board comprising volunteers from the CHIRP Maritime Advisory Board and independent members selected for their expertise in maritime matters and/or accident investigation.

The conclusions of the Review Board, following the objectives set out in the Review Process, are:

- 1. Comprehensive data has been provided for the Review.**
- 2. CHIRP is adding value to safety in the maritime sector by following up individual reports and promulgating information on incidents and issues. In a number of aspects, this contribution would not otherwise have been available to the maritime community.**
- 3. The CHIRP Maritime Programme forms an effective part of the UK's maritime safety structure, complementing the roles of the Regulator (MCA) and Accident Investigator (MAIB). The modus operandi between CHIRP and the MCA and with the MAIB should be documented. The new European accident reporting regulations that are scheduled to be implemented in 2011 are not likely to have an immediate impact on the activity of CHIRP, but this aspect should be revisited in the next Periodic Review.**
- 4. The primary means for promoting the Maritime Programme is the quarterly newsletter, MARITIME FEEDBACK. For the maritime community, this is the "face" of the Programme. The feedback from correspondents regarding the newsletter and the Programme itself has been unanimously positive. Nevertheless, the Board recognised that there remains scope to increase the reach of the Programme, particularly to the fishing industry and to marine engineers. To this end, the current style and distribution of the newsletter will be reviewed. With the ongoing promotion of the Programme and such improvements, it is expected that there will be continuing increase in awareness of the Programme, resulting in steady growth in the number of reports received.**
- 5. There is a strong case for continued funding of the Maritime Programme by the DfT as part of its commitment to improving maritime safety. The support of the maritime sector is demonstrated by the financial value of executive time, travel and services provided to CHIRP.**
- 6. Notwithstanding the anticipated growth in the activity of the Maritime Programme, the projected future cost of the Programme should be based on the 2009/10 budget figure. The existing process for obtaining the approval of the DfT to the annual budget should be retained.**
- 7. There is a continuing need for a UK maritime confidential reporting system whereby mariners can have confidence that each individual report will be followed up in such a way that the identity of the reporter is not disclosed and so that lessons learned can be**

promulgated across the wider maritime community. The CHIRP Maritime Programme provides this system and contributes to enhancing maritime safety.

The Maritime Programme is relatively young but has been able to draw on the experience of the Aviation Programme and benefit from the sharing of overhead/support costs. The synergy between them assists the process of continuous improvement. Specific proposals for improvement are included in this Report.

At the meeting, a query was raised as to the measure of cost effectiveness of the Programme. The consensus view of the Review Board was that the cost of the Programme (budgeted at £256K in 2009/10) is far outweighed by its value in promoting safety in the maritime sector, particularly in respect of its role in identifying issues which, if unresolved might have led to a major safety incident. The Marchioness tragedy highlighted the need for a confidential reporting programme. The reports of potentially serious incidents and safety issues received by CHIRP, several of which were considered at the meeting, demonstrate that there is an on-going need for the Maritime Programme. The resolution of such issues, thus avoiding major accidents, is a prime justification for the cost of the Programme.

The Board was in no doubt that large numbers of hazardous incidents / near misses are occurring. The challenge is to encourage mariners to observe that these are happening and to report them to their company or as a confidential report, as appropriate. The improvement in the safety performance in the tanker industry, and previously demonstrated in the UK commercial air transport industry, illustrates that this can be achieved although a change of safety culture takes a significant period of time to embed.

Captain John Hughes FNI

October 2009

Report on the Periodic Review of The Maritime Confidential Hazardous Incident Reporting Programme

Captain John Hughes

Chairman Periodic Review Board

1. INTRODUCTION

The CHIRP Maritime Programme is sponsored by the Department for Transport (DfT) as part of their commitment to improving maritime safety. Although the Programme is governed by an independent Board of Trustees, the DfT does need to be assured that it is cost effective. Therefore periodic independent reviews are carried out.

The first such Review was carried out in July 2004 in conjunction with the Quinquennial Review of the Aviation Programme. At that time the Maritime Programme had only been in operation for a short period so a second Review was carried out in June 2005.

It was agreed that a further Review would be carried out in 2009. For this purpose a Review Board was formed comprising volunteers from the CHIRP Maritime Advisory Board and independent members selected for their expertise in maritime matters and/or accident investigation.

The members of the Review Board are shown in Annex A. The CHIRP Charitable Trust is very grateful to them for having given their valuable time and advice.

2. REVIEW PROCESS

The objectives of the Review were agreed between the Trustees and the Sponsor. These were:

1. Provide data on the reports received by the Programme since 1 July 2005.
2. Assess whether the CHIRP Maritime Programme adds value to safety in the maritime sector, highlighting areas in which such contribution would not otherwise be available.
3. Assess whether the CHIRP Maritime Programme forms an effective part of the UK's maritime safety structure, complementing the roles of the Regulator (MCA) and Accident Investigator (MAIB).
4. Assess whether the CHIRP Maritime Programme is promoted and communicated effectively within the appropriate sectors of the UK maritime community.
5. Provide details of other funding options considered outside of the Department for Transport. Give scenarios of the likely effect of any changes in DfT funding.
6. Estimate (with costs) what future funding is necessary for the continuation of the Programme and timescales.
7. Determine if there is a continuing need for a UK maritime confidential reporting system and, if so, what changes could be made to improve its effectiveness.

In the Summer 2009 edition of MARITIME FEEDBACK, members of the maritime community were invited to send in their comments regarding the CHIRP Maritime programme. Also, Nautilus published a letter in its Telegraph journal from the CHIRP Director (Maritime) inviting comments.

A questionnaire was sent to all members of the CHIRP MARITIME Advisory Board to obtain their views regarding the effectiveness of the Programme.

As preparatory material for the Review Board, an information pack, "CHIRP Maritime Review 2009", was prepared in July/August 2009. This contained sections on:

1. Development of the Maritime Confidential Reporting Programme.
2. Review of the CHIRP Maritime Programme – June 2005.
3. Organisation, Structure, Processes, Procedures.
4. Financial Summary.
5. Maritime Programme Reports.

This information pack was circulated to the Review Board members in August 2009.

By the date of the Review Board meeting, 11 responses, all positive, had been received in response to members of the maritime community to comment. 18 responses to the questionnaire sent to the Maritime Advisory Board were also received. The Chamber of Shipping submitted a supportive letter. All these responses were consolidated into section 6 of the preparatory material, and made available to the Review Board.

The Review Board met on Friday 4 September from 1000 to 1530 hours at the Chamber of Shipping London.

Post meeting note: An article supporting CHIRP has been published in the September e-newsletter of BIMCO. This is attached as Annex B

3. REVIEW BOARD AGENDA

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|---|---------------------|
| - Chairman's Introduction | Captain John Hughes |
| - Presentation: Organisation, Administration, Finance | Peter Tait |
| - Presentation: Data and Overview of Maritime Programme | Chris Rowsell |
| - Discussion and Formulation of Conclusions | Captain John Hughes |
| - Chairman's Closing Remarks | Captain John Hughes |

4. DISCUSSION AND CONCLUSIONS OF THE REVIEW BOARD

Key discussion points and the conclusions against each objective of the Review are summarised in this section 4.

4.1 Provide data on the reports received by the Programme since 1 July 2005.

The Board reviewed the data which had been circulated prior to the meeting. It was noted that:

1. The Maritime Programme has been receiving about 100 reports per year.
2. The sources of the 110 reports in the most recent year of the Review (July 2008 to June 2009) were:

Commercial Transport	40%
Fishing	4%
Leisure	44%
Offshore	5%
Others	7%
3. The general categories of the reports received in that same year were:

Issues with other parties	53%
Intra-organisation issues	10%
Issues arising from previous reports	26%
General safety issues	5%
Company reports	6%

Of the issues with other parties, half related to near-collisions.

Other data reviewed included:

- a. A summary of reports on intra-organisation issues.
- b. The "top ten" key issues.
- c. Distribution of the quarterly newsletter, CHIRP MARITIME FEEDBACK.

The full data reviewed by the Board is available in the "CHIRP Maritime Review 2009" document.

Conclusion: Comprehensive data has been provided for the Review.

4.2 Assess whether the CHIRP Maritime Programme adds value to safety in the maritime sector, highlighting areas in which such contribution would not otherwise be available.

The Board discussed various aspects in respect of this objective and noted the following:

- I. The functions of the Mariners' Alerting and Reporting Scheme (MARS), run by the Nautical Institute, and CHIRP are complementary but different. MARS is an international cooperative scheme for improving safety by publishing reports of shipping incidents. CHIRP provides a means for mariners in the commercial, fishing, leisure and offshore sectors to report incidents and issues affecting safety, with each report being individually followed up where possible and subsequently closed out with the reporter. The quarterly newsletter, CHIRP MARITIME FEEDBACK, is used to promulgate lessons learned from selected reports and to promote reporting.

The President of the Nautical Institute advised that the Institute supported CHIRP, and endorsed the view that MARS and CHIRP are complementary.

- II. CHIRP provides a unique means for mariners in the UK commercial, fishing and offshore sectors to raise safety concerns on a confidential basis that, for whatever reason, they have been unable or unwilling to discuss with their employer or have been unsuccessful in resolving. CHIRP takes these forward on a case by case basis, as agreed with the individual reporter.

Example: The skipper of a river passenger craft was concerned that long periods of duty with inadequate breaks were resulting in fatigue. Following various discussions, CHIRP drew this to the attention of the Chief Executive of the MCA who directed senior managers to oversee the issue. Following the intervention of the MCA, the company engaged additional staff and changed the roster arrangements.

- III. Dialogue between the reporter and the Director (Maritime) of CHIRP may take the form of counselling to the individual as to how best to resolve the issue within his/her organisation.

Example 1: An officer on a Ro-Ro ferry was concerned at safety on the vehicle decks. He was concerned that, if he were to raise his concerns on board, his relationship with his colleagues would be affected. D(M) discussed this with the safety manager of the company and ascertained that the company had identified the risk of working on vehicle decks and were implementing an initiative, including a training DVD. D(M) fed this back to the reporter and encouraged him to participate in the initiative.

Example 2: A pilot had expressed concern to the Harbour Master about an operational issue but had been told that this was not his business. D(M) suggested to the pilot that he get the issue onto the agenda of the port safety forum. This was done and the issue was subsequently resolved.

These types of counselling typically involve a number of conversations by telephone.

- IV. CHIRP frequently receives reports alleging that another vessel has contravened the International Regulations for Preventing Collisions at Sea (the ColRegs), resulting in a risk of collision with high potential for casualties and damage to vessels and the environment. With such reports, it is the practice of CHIRP to alert the manager of that vessel and request him to investigate. Although CHIRP has no power to demand this, it is notable that in 2008/9 90% of the managers so contacted did respond. In all the cases, the message from CHIRP was the first that the manager knew of the incident.

Example: Two tankers were on a parallel course eastbound in the English Channel. Without warning, one altered course and passed in front of the other. It continued to alter course, circling round and again passing in front of the other tanker, this time very close. CHIRP notified the manager who in turn interviewed the Master. He had not previously been aware of the situation. It transpired that it was the action of a junior officer new to the company. It caused the company to review its recruitment and training procedures.

The lack of sanction against mariners who contravene the ColRegs has been a source of frustration to other mariners. The increasing number of such reports may indicate that CHIRP is now perceived as an effective way for contraventions to be reported, brought to the attention of the manager of the contravenor and followed up. Although mariners could, as an alternative, report such incidents to an authority, in practice they may be reluctant to do so. The mechanism being provided by CHIRP is unusual, possibly unique.

- V. Reports to CHIRP can focus attention on an issue and subsequently act as a catalyst for improvement. For example, in the early part of the period of this Review, there were a large number of reports about small craft being disabled due to entanglement with fishing gear. After consultation with industry, the MCA issued a guidance note in 2008 on the marking of fishing gear. As another example, the improper reliance by leisure sailors on Automatic Identification System (AIS) receivers as a substitute for radar is being highlighted.

Conclusion: CHIRP is adding value to safety in the maritime sector by following up individual reports and promulgating information on incidents and issues. In a number of areas as outlined above, this contribution would not otherwise have been available.

4.3 Assess whether the CHIRP Maritime Programme forms an effective part of the UK's maritime safety structure, complementing the roles of the Regulator (MCA) and Accident Investigator (MAIB).

The Chief Executive of the Maritime and Coastguard Agency (MCA) expressed his strong support for the role of CHIRP. He advised that the relationship between the MCA and the MAIB had been formalised and, whilst the ad hoc relationship between the MCA and CHIRP is good, it would be timely and appropriate to implement a similar arrangement.

At the meeting, the Principal Inspector representing the Marine Accident Investigation Branch advised that new European maritime reporting requirements would come into effect in 2011. It was agreed that the possible impact of these on the activities of CHIRP should be considered. Subsequent to the meeting the subject has been discussed with the Chief Inspector of Marine Accidents and the following statement (in italics) agreed.

The Merchant Shipping (Accident Reporting and Investigation) Regulations 2005 require marine accidents to be reported to the Marine Accident Investigation Branch. The Regulations also mandate the Chief Inspector to investigate hazardous incidents. (As defined in the 2005 Regulations, "hazardous incident" means any event, other than an accident, associated with the operation of a ship which involves circumstances indicating that an accident nearly occurred.) However there is not a statutory requirement to report hazardous incidents.

It is expected that a European Directive on marine accident investigation will, in 2011, expand the reporting requirement to cover hazardous incidents. The UK regulations which will implement this have not yet been published so it is premature to determine the scope of such incidents which will be reportable. However, it is reasonable to surmise that:

- a. *The MAIB will focus on those incidents in which a major accident was narrowly avoided.*
- b. *Based on the 38 deaths in the accidents investigated by the MAIB in 2008 and applying the 300:1 ratio postulated by the Heinrich triangle implies that there over 10,000 hazardous incidents or dangerous occurrences per year. (This is of course a very broad estimate.) Only a minority of these will be covered by new reporting requirements.*
- c. *It will become clearer over an initial period of several years as to the number and type of hazardous incidents being reported by the shipping industry to the MAIB.*

In respect of the longer term when compliance with the new regulations and reporting requirements is well embedded:

- *There will be a continuing important role for CHIRP to receive and follow-up concerns of mariners on safety issues that, for whatever reason, they are reluctant to discuss with their employer or with the regulatory authority.*
- *CHIRP provides a route for mariners of all ranks and positions to report safety issues. The new regulations will require Masters and Companies to report hazardous incidents, but this regulatory requirement will not extend to other ranks. CHIRP will continue to provide an essential "safety net" for incidents that are not reported as required by the Regulations.*
- *There will be an on-going imperative to learn from near-misses and dangerous occurrences that are outside the scope of the regulatory reporting requirements.*
- *Based on experience in other domains, the increased focus on learning from hazardous incidents as well as from accidents may also lead to an increase in voluntary reporting of other safety occurrences.*

It is concluded that the new regulatory reporting requirements are unlikely to have a significant impact on the role and activities of the CHIRP Maritime Programme for at least several years. This should be revisited at the next Independent Review.

Conclusion: The CHIRP Maritime Programme forms an effective part of the UK's maritime safety structure, complementing the roles of the Regulator (MCA) and Accident Investigator (MAIB). The modus operandi between CHIRP and the MCA and with the MAIB should be documented. The new accident reporting regulations being implemented in 2011 are not likely to have an immediate, or substantial, impact on the activity of CHIRP, but this aspect should be revisited in the next Periodic Review.

4.4 Assess whether the CHIRP Maritime Programme is promoted and communicated effectively within the appropriate sectors of the UK maritime community.

When the CHIRP Maritime Programme was instigated, the Director (Maritime), who was employed on a full-time basis, carried out a large number of promotional visits and presentations. After four years when the first Director (Maritime) left to take up a position in industry, the administration of the Maritime Programme was aligned more closely to that of the Aviation Programmes and the Director (Maritime) appointed on a part-time basis. Although the number of promotional visits has been reduced, the current Director (Maritime) has made visits to Harbour Masters in Scotland, South Wales, South and South West England and to ship managers in Southern England and the Isle of Man. He has also given presentations at the Safety at Sea and Human Factors conferences.

The primary vehicle for promoting the Maritime Programme is the quarterly newsletter, MARITIME FEEDBACK. The print-run for this is currently 116,400 copies per quarter. It is distributed by insertion in a number of journals, and a limited number by mailing, as follows:

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|--|---------------------|
| • Commercial & Offshore sectors | |
| • - Lloyds List | 8,000 copies |
| • - Nautilus Telegraph | 27,000 |
| • - Safety at Sea | 6,500 |
| • - The Sea | 30,800 |

- **Fishing Sector**
- - **Fishing News** (subscribers only) 2,400
- - **NFFO Newsletter** 700
- **(National Federation of Fishermen's Organisations)**
- *(Note: the newsletter was inserted in Fish UpDate (9,700 copies) until it ceased publication in 2008.)*

- **Leisure sector**
- - **Motor Boat & Yachting** (subscribers only) 6,000
- - **Practical Boat Owner** (subscribers only) 19,000
- - **Yachting Monthly** (subscribers only) 13,000
- **Mailing list** 2,200
- **Direct** 800
- **Current total print run** 116,400 copies

The cost of printing (£36,000 p.a.) and distribution ((£48,000 p.a.) represents one third of the total CHIRP budget. The distribution arrangements and associated costs are reviewed annually; this process has prevented significant increases in insertion costs being incurred for the past three years. In 2008 the number of journals in the leisure sector carrying inserts was expanded but the overall print-run was reduced from 140,000 by inserting in some journals (as indicated above) for subscribers only.

The Board noted that the overall cost could be reduced by publishing the newsletter three rather than four times per year, but concluded that, providing an adequate number of reports suitable for publication was available, this option should not be implemented as the promotion of the Programme would be commensurately reduced.

The newsletter is available in electronic form on the CHIRP website. However, the Board acknowledged that many people prefer to read journals in hard copy rather than on line. The Chief Executive of the MCA commented that on his visits to ships he frequently sighted the newsletter on board, available as hard copy reading material.

CHIRP wished to encourage, in particular, more reports on marine engineering issues and from the fishing industry. Discussions are currently underway with the Institute of Marine Engineering, Science and Technology (IMarEST) to distribute the newsletter to their members. The distribution to the fishing industry is currently being discussed with the representative of the National Federation of Fishing Organisations.

A number of suggestions regarding the newsletter were offered by Board members including:

- Refresh the style.
- Include an introduction to CHIRP and its purpose.
- Make it clear that CHIRP reporting applied to all departments onboard.
- Put the reports into sections for commercial transport, fishing, leisure, offshore.
- Arrange with ship managers for the newsletter to be transmitted electronically to ships for printing out and circulation on board.
- Consider insertion in other journals including
 - RNLI
 - Sailors Society
 - Apostleship of the Sea
 - Marine Engineers Review
- Consider further distribution via the MCA, Red Ensign Group, Fishermen's Mission.
- Consider direct mailing to officers.
- Simplify the report form.

Post meeting note: Bearing in mind the cost of printing and distributing MARITIME FEEDBACK, it is suggested that any change in circulation should be prioritised towards increasing the reach to the fishing industry and to marine engineers.

Conclusion: The primary means for promoting the Maritime Programme is the quarterly newsletter, MARITIME FEEDBACK. For the maritime community, this is the "face" of the Programme. The feedback from correspondents regarding the newsletter and the Programme itself has been unanimously positive. Nevertheless, the Board recognised that there remains scope to increase the reach of the Programme, particularly to the fishing industry and to marine engineers. To this end, the current style and distribution of the newsletter will be reviewed. With the ongoing promotion of the Programme and such improvements, it is expected that there will be continuing increase in awareness of the Programme, resulting in steady growth in the number of reports received.

4.5 Provide details of other funding options considered outside of the Department for Transport. Give scenarios of the likely effect of any changes in DfT funding.

The Board acknowledged the difficult financial circumstances faced by all Government Departments and considered what possible alternatives existed for funding the Maritime Programme. The Board noted that, unlike the Civil Aviation Authority the funding for which is derived directly from the UK aviation industries in the form of levies/charges, the Maritime and Coastguard Agency is funded by the DfT; thus a funding arrangement similar to that for the Aviation Programmes, by which industry funds are allocated by the Regulator, was not available for the Maritime Programme.

The Board considered several other direct funding options that had been pursued by the Trustees but noted that it was imperative that the source of funding did not adversely affect the independence of the Programme or the perception of independence by the user groups.

The Board acknowledged that Industry made a significant financial contribution to the Programme in form of the composition of the Maritime Advisory Board, for which the costs of individual members' attendance and travel were borne exclusively by the relevant nominating organisations. Similarly, the Chamber of Shipping provided a meeting venue for the Maritime Advisory Board at no cost to the Programme and Nautilus subsidised the mailing cost associated with the distribution of 27,000 copies of MARITIME FEEDBACK. The estimated total value of this funding by the Industry was £80,000 in 2008-09.

The principal Programme cost elements are the personnel costs, the costs associated with the publication of the newsletter, and administration. Therefore the impact of any reduction in funding would adversely affect one of these key areas. The Board concluded that:

- The Director (Maritime) post is fundamental to the success of the Maritime Programme.
- Having combined the administration of the Maritime Programme with that of the Aviation Programme, this cost element is less than that would be the case if the Programmes were completely separate and any reduction would adversely affect the integrity of both programmes..
- The main impact of any reduction in funding would be a reduction in the circulation of the MARITIME FEEDBACK newsletter. Since MARITIME FEEDBACK is the Programme's primary method of promoting the Programme, disseminating safety information and soliciting further reports, it would be highly probable that there would be a negative impact on the Programme and thus an adverse effect on maritime safety.

The Board concluded that the effectiveness of the present distribution strategy for MARITIME FEEDBACK should be evaluated as summarised in Para. 4.4 and adjusted as necessary to ensure that it continues to deliver best value consistent with the Programme's objectives.

Post meeting note 1: Measure of Cost Effectiveness of the Maritime Programme

At the Review Board Meeting, a question was asked as to whether the total cost of the Programme divided by the number of reports received is an indicator of the cost effectiveness of the Programme. The Chief Executive responded that in no confidential reporting programme was this considered to be a relevant indicator. This statement is expanded hereunder.

The Review Board recognised that in much of the maritime sector the reporting of near misses requires a cultural change that takes many years to promote and embed. This has been the case in the aviation industry and also in the major oil companies, including their tanker fleets.

It is expected that there will be steady organic growth in the number of reports received, using CHIRP MARITIME FEEDBACK as the prime vehicle for promoting the Programme, with various improvements as described in section 4.4 of this Report. The Review Board identified two areas for which increased reporting will be particularly sought:

1. Marine engineering issues, as these are currently under-represented.
2. The fishing sector, although it is recognised that this will be an on-going challenge for many years.

The lessons learned from the reports are promulgated through the MARITIME FEEDBACK newsletter. Favourable comments on this publication are frequently received. Whilst a larger number of reports will give a larger selection from which to choose for publication, it is not considered that the quality of the content of the newsletter is directly proportional to the number of reports received.

In summary, the absolute number of reports received is not a meaningful key indicator of the success of the programme as it does not take into account

- a. The nature of the incidents reported, their relative potential risks and the value placed on the reduction in risk achieved in each case.
- b. The enhancement of safety across the maritime sectors by promulgating the lessons learned from the individual incidents.

As an example, a doubling of the number of reports received, if handled within the same budget, would not indicate a doubling of the cost-effectiveness of the Programme.

In practice, the effectiveness of the Programme is assessed by the Trustees, with advice from the Maritime Advisory Board which meets quarterly, and by Periodic Independent Review. The cost of the programme is managed by the Chief Executive, with review by the Trustees, on a bottom up basis by scrutiny of each cost element, and on a top down basis by constraining expenditure so that in real terms the cost has been falling. The financial statements of The CHIRP Charitable Trust are audited annually by Deloitte LLP. The auditor has advised in writing that there was no significant finding from the most recent audit.

For the above reasons, the consensus view of the Review Board was that the cost of the Programme is far outweighed by its value in promoting safety in the maritime sector, as described in section 4.2 of this report, particularly in respect of its role in identifying issues which, if unresolved might have led to a major safety incident. Recent examples include:

- Serious fatigue issues on a fleet of river passenger vessels.
- Risk of capsizing when moving vessels partly laden with grain in port.
- A seafarer on a UK flag ship advising that there had been no safety drill for two years.
- Serious safety issues on an offshore vessel operating out of a UK port.
- A large number of near collisions.

(These were summarised in the CHIRP Maritime Review 2009 document provided to the Review Board. Refer also to section 4.2 of this Report.)

The Marchioness tragedy highlighted the need for a confidential reporting programme. The reports of incidents and issues received by CHIRP demonstrate that there is an on-going need. The resolution of such issues, thus avoiding major accidents, is a prime justification for the cost of the Programme.

Post meeting note 2: Scenarios for Alternative Funding Arrangements

Following the general discussion on funding issues at the meeting, specific scenarios for radical change have, for completeness, been assessed:

Sponsorship

- This may damage the independence of CHIRP, as perceived by mariners.
- The charitable status of the Maritime Programme may be prejudiced.
- It is questionable whether sponsorship would be forthcoming in the financial climate that is likely to prevail in the next few years.
- CHIRP and MARS could be in competition for funds.
- Significant effort and resource would be needed to obtain, manage and retain sponsorship.

Levy on Users

- The levy on ship-owners for navigation aids via light dues is already highly contentious but would be the best method for equitable funding from commercial users of UK waters.
- The fishing sector could be asked to contribute via their existing levy on fish landed in the UK (currently used to fund the Seafish Authority and administered by DEFRA), but this would simply transfer money between Departments.
- There is no comparable mechanism for recovering a contribution from the leisure sector.

Charge for MARITIME FEEDBACK

- The current arrangements for distribution by insertion in journals would have to be scrapped.
- The cost of producing and distributing a commercially-priced journal would exceed the achievable price.

These scenarios for alternative sources of funding do not appear to be realistically achievable in the present financial climate and/or financially viable on a continuing basis.

Conclusion: There is a strong case for continued funding of the Maritime Programme by the DfT as part of its commitment to improving maritime safety. The support of the maritime sector is demonstrated by the financial value of executive time, travel and services provided to CHIRP; additional funding from sponsorship/donations is not currently an available option.

4.6 Estimate (with costs) what future funding is necessary for the continuation of the Programme and timescales.

Taking into account the various conclusions of the Review Board regarding the current effectiveness of the Maritime Programme and possible improvements, it is considered that the Programme can continue to be managed effectively with the current level of staff resource. Expected growth in the number of reports will be managed by prioritising these by assessing the risk associated with the reported incident or issue.

As noted in section 4.5, reducing the circulation of MARITIME FEEDBACK would adversely impact the promotion of the Programme and its effectiveness.

The Board noted that the budget proposal of £256K in 2009-10 represented a reduction of 2.5% in real terms in comparison to the budget for 2004/05, the first full year of operation.

Conclusion: It is proposed that the existing process for obtaining the approval of the DfT to the annual budget should be retained. Notwithstanding the expected growth in the activity of the Maritime Programme, the projected future cost of the Programme should be based on the 2009/10 budget figure.

4.7 Determine if there is a continuing need for a UK maritime confidential reporting system and, if so, what changes could be made to improve its effectiveness.

The Annual Report of the Marine Accident Investigation Branch for 2008 records, inter alia, a list of UK vessel accidents that resulted in the death of 38 people. The number of crew deaths on merchant ships in 2008 has resumed broadly at the same level as each of the preceding 15 years after a significant increase in 2007. It is also notable that, of the 38 deaths, 20 were on pleasure craft. Quoting from the Report: "*each death is a tragedy, and each was avoidable*".

Whilst some major shipping companies have implemented near-miss reporting within their management systems, it is not yet generally embedded within the culture across the whole of the maritime sector. Indeed, there are mariners and members of the public who mistakenly believe that a significant number of near-miss reports are an indication of poor safety performance. CHIRP plays its part in promoting the important message that near-miss reporting is a key element in enhancing safety performance.

There is no doubt that large numbers of hazardous incidents / near misses are occurring. The challenge is to encourage mariners to observe that they are happening and to report them. The improvement in the safety performance in the tanker industry, as also demonstrated in the UK commercial air transport industry, illustrates that whilst a change of safety culture takes a significant period of time to embed within a professional population, it can be achieved.

Conclusion: There is a continuing need for a UK maritime confidential reporting system whereby mariners can have confidence that each individual report will be followed up in such a way that the identity of the reporter is not disclosed and safety lessons learned can be promulgated across the wide maritime community. The CHIRP Maritime Programme provides this system and thus contributes to enhancing maritime safety, including aspects in which such contribution would not otherwise be available.

The Maritime Programme is still relatively young in terms of positively influencing a change in safety culture but has been able to draw on the experience of the Aviation Programme. The synergy between them assists the process of continuous improvement. Specific proposals for improvement have been highlighted in this Review.

Annex A

**Meeting of the Periodic Review Board
4 September 2009**

	CHIRP TRUSTEE	MEMBER, CHIRP MARITIME ADVISORY BOARD	ORGANISATION
<i>Chairman of Review Board</i> Captain John Hughes	Yes	Yes	Independent
Mr Tim Atkinson			Principal Inspector, Air Accident Investigation Branch
Capt Nick Beer			Principal Inspector, Marine Accident Investigation Branch
Mr Peter Cardy	Yes	Yes	Chief Executive, Maritime & Coastguard Agency
Mr Stuart Carruthers		Yes	Cruising Manager, Royal Yachting Association
Captain Richard Coates			President, Nautical Institute
Captain Don Cockrill		Yes	UK Marine Pilots Association
Captain Bob Fleming			Chief Marine Incident Investigator BP Shipping Ltd.
Mr Allan Graveson		Yes	Senior National Secretary Nautilus
Mr Michael Grey			Independent (Former Editor, Lloyds List)
Mr Jim Hudson		Yes	Safety & Training Officer, National Federation of Fishermen's Organisations
Mr Eric Murdoch		Yes	Standard P&I Club
Captain Nigel Palmer OBE	Yes	Yes	Independent
Mr Saurabh Sachdeva			Nautical Consultant Chamber of Shipping
Mr Jim Spooner			Department for Transport (Shipping Policy)
Mrs Kirsty Arnold			Administration Manager, CHIRP
Mr Chris Rowsell			Director (Maritime), CHIRP
Mr Mick Skinner			Deputy Director (Engineering), CHIRP
Mr Peter Tait			Chief Executive, CHIRP

Annex B

The following article by "Watchkeeper" has been published in the September 2009 e-newsletter of BIMCO.

(Note: BIMCO is an independent international shipping association, with a membership composed of ship owners, managers, brokers, agents and many other stakeholders with vested interests in the shipping industry. The association acts on behalf of its global membership to promote higher standards and greater harmony in regulatory matters. It is a catalyst for the development and promotion of fair and equitable international shipping policy. BIMCO is accredited as a Non-Governmental Organisation (NGO), holds observer status with a number of United Nations organs and is in close dialogue with maritime administrations, regulatory institutions and other stakeholders within the EU, the USA and Asia. The association provides one of the most comprehensive sources of practical shipping information and a broad range of advisory and consulting services to its members.)

Watchkeeper: The value of confidential reporting

We live in an unforgiving world where the "culture of blame" is well established, legal liabilities abound and the concept of an "honest mistake" has become almost redundant. That is perhaps why a system that enables people to report hazardous incidents in a confidential manner is very valuable indeed.

Confidential hazardous incident reporting has its roots in the aviation industry, where death is more readily evident and the consequences of such an incident can be more severe. The idea of "no-blame" reporting has become quite well-established over the years. A pilot makes a mistake, perhaps turning a control knob clockwise when he ought to have turned it the other way. He realises his mistake, takes the corrective action and disaster is averted. But he realises that if he could make this mistake, others might do so with catastrophic results, and a programme is in place to enable him to report his lapse. It could be that this points to a potentially serious design deficiency, or something that can be easily prevented by a small "tweak" in the design, or additional training. But the mere fact that such a system was available has encouraged its use, and saved lives. The fact that the reporter will not be blamed, or thrown out of his job on account of this lapse, is a further encouragement to use this system.

It is some years since the UK Department for Transport, conscious of the value of the Confidential Hazardous Incident Reporting Programme (CHIRP) to aviation decided to fund the establishment of a marine equivalent. It has now been in operation for more than five years and is beginning to make a positive impact on marine safety. Interestingly, although it is a UK initiative, it welcomes reports from ships and seafarers sailing under any flag. It is successfully reaching the leisure boating industry as well as commercial shipping and trying hard, with limited success, to penetrate the fishing industry, where too many deaths and injuries still take place.

It is, of course a wholly voluntary system, and it is individuals who report incidents to its headquarters in Farnborough, in the UK. And while initially attitudes in the shipping industry might have been suspicious of something akin to "whistle-blowing", there has been growing support for CHIRP and encouragement of its aims in the industry. Good companies have processes for "near-miss" reporting, but experienced people also recognise that the embarrassment of a mistake might prevent an individual reporting an incident. CHIRP encourages openness and a public spirit, through its promise of absolute confidentiality.

CHIRP also takes action to address incidents, in a navigational near-miss, for instance, contacting the owners of the "other ship" to find out what went wrong. In a recent report published by CHIRP about a navigational incident, a range of failures were identified by the company of the ship complained about, and all were being addressed.

Of course, knowing that CHIRP is there, and what it does is very important, this being undertaken by regular reports published as CHIRP Feedback several times every year in newsletter form. As a result of this, it has been possible to detect certain trends, and these can be addressed. Some might be obvious; like regular failures to keep a good lookout, and poor knowledge of the regulations. Others are more singular, but no less important, such as a cook concerned at the risk of poisoning from food kept in a press in the mess for too long, or equipment failures. CHIRP is proving increasingly useful, as confidence in it grows.