

WHS Risk Management Program

Introduction

Skillset Limited is committed to the provision of a safe and healthy workplace for all workers (including contractors) and visitors. To meet this commitment, Skillset Limited will endeavour to control risks to workplace health and safety through:

- a) Identification of real and potential hazards.
- b) Assessment of the risk of injury associated with those hazards.
- c) Implementation of corrective measures which aim to control hazards according to the hierarchy of control.
- d) Evaluating the effectiveness of corrective actions

The aim of this risk management program is to find and fix hazards before incidents occur. In the event that an incident does occur, the risk management program is similarly implemented to ensure that appropriate corrective action is undertaken, the effectiveness of corrective actions evaluated, and steps taken to ensure no recurrence of the incident.

References and Applicable Legislation

NSW Work Health and Safety Act 2011

NSW Work Health and Safety Regulation, 2011

AS NZS ISO 3100 - 2009 Risk Management – Principles and Guidelines

Occupational Health and Safety Management Systems, AS 4804 and AS 4801

Skillset Limited Risk Management procedure

Definitions

Hazard: A hazard is anything, including work practices that has the potential to cause injury or disease to people, damage to the environment, property, plant or equipment.

Hazards can be due to:

- The work environment, for example poor lighting or slippery floor;

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- The work organisation for example, work flow not consistent; carrying heavy loads over distances, inadequate safe working procedures;
- The plant, equipment, tools or substances used, e.g. toxic chemicals / gases: noisy machinery, lack of information, training and supervision, inadequate or unsuitable personal protective equipment (PPE).

Risk: The likelihood that a hazard will result in injury, illness, loss or damage to people, the environment, property, plant or equipment and potential severity of that injury, illness, loss or damage.

Risk Control: Risk Control is a method of managing the risk. There is a hierarchy of control measures that needs to be followed, with the primary emphasis on controlling the hazards at source.

Responsibilities

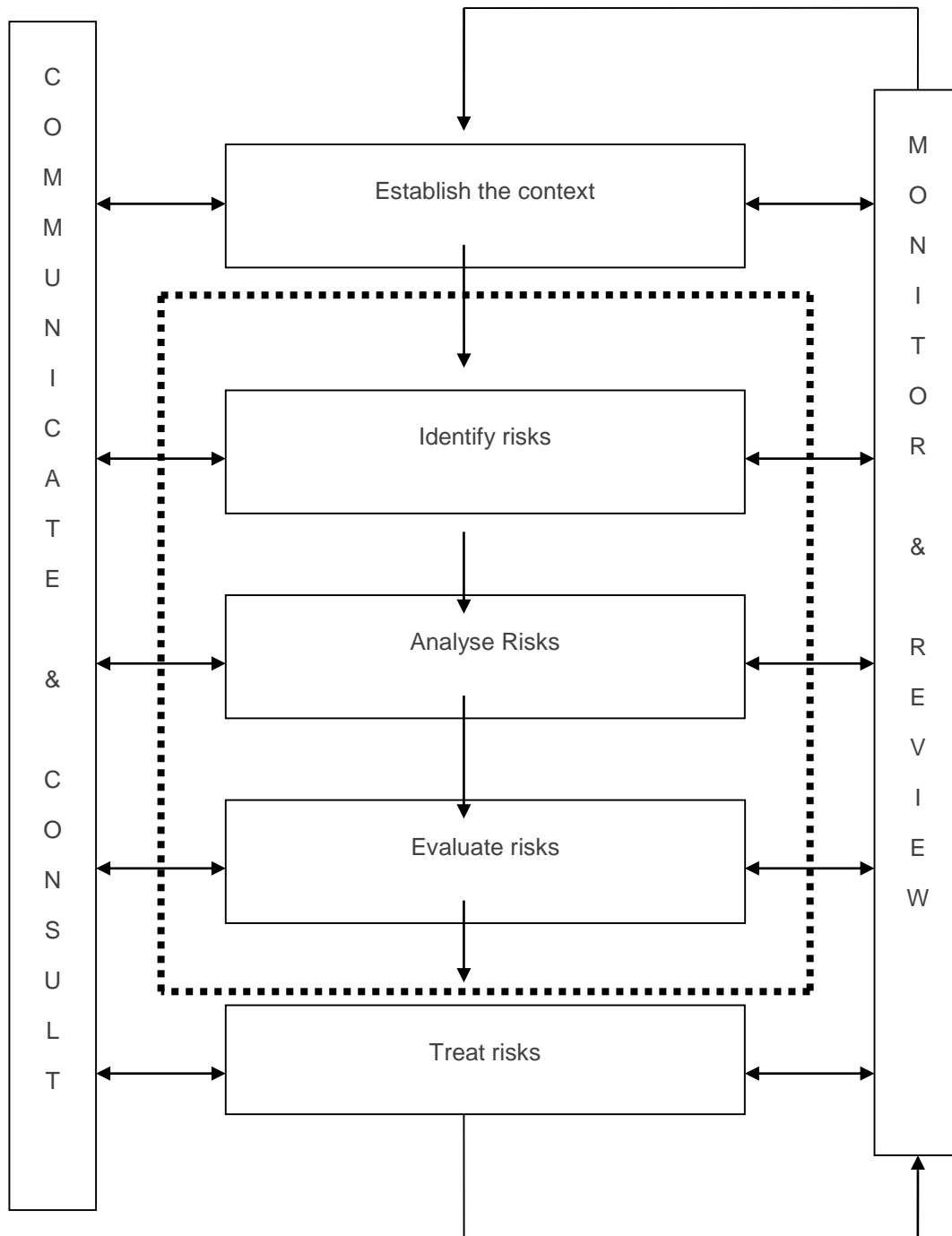
Everyone has a responsibility to find and fix hazards. However, there are specific responsibilities for roles within Skillset Limited. The responsibilities are identified in Skillset Limited Responsibilities documents.

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Steps in the Risk Management & Risk Assessment Process

The following flowchart shows the steps involved in risk management. Each step is explained in further detail in the subsequent pages.



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Establish the Context

The first step in the risk management process is to define the scope of the risk management activity. The purpose of this step is to establish the parameters of the process including the criteria by which risks will be assessed. Therefore, this step defines the strategic and organisational context in which the remainder of the risk management process operates.

This includes:

1. Defining the external and internal stakeholders and their objectives;
2. Defining the organisational context - this is the context within which the risk management policy is to be implemented, including what each person's responsibilities are and what resources are required;
3. Defining the scope of the specific activity whose risks the process is intended to manage;
4. Setting an overall time frame for completion of the process;
5. Identifying the resources required and distributing the responsibilities for conducting the remainder of the process;
6. Developing the risk evaluation criteria – look to see if there is a Law, Regulation, Advisory Standard, Industry Code of Practise or Guidance materials made about any of the hazards that are identified;
7. Planning the structure of the risk management process into logical elements.

WHS laws require that hazards are identified and that procedures are in place and are used to identify, assess and control hazards:

- Before setting up and using a workplace;
- When planning work processes;
- Before installing, commissioning or erecting plant;
- Whenever changes are made to:
 - the workplace;
 - the system or method of work;
 - the plant used;
 - the chemicals used;

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- Whenever new information regarding work processes becomes available.

Identifying Hazards

This is the most important step in the risk management process. A hazard which is not identified cannot be controlled. Accordingly, it is crucial that this step is as comprehensive as possible. Ideally, hazard identification will be conducted in close consultation with the people performing the activity.

Hazard identification can consist of the following:

- Develop a list of the tasks, events and processes involved in activities whose risks are to be controlled - such a list must be comprehensive enough to ensure that no risks are overlooked by the process and at the same time concise enough to ensure that the process is not bogged down with activities which are beyond its scope
- Break down each activity into consecutive tasks and each task into consecutive steps
- Identify all negative outcomes arising from or even incidental to each step
- Having identified negative outcomes, identify all possible causes of the negative outcomes

Practical examples of identifying hazards in the workplace include;

- Workplace inspections or surveys;
- Written or verbal hazard reports;
- Incident / accident reports and / or incident / accident investigations;
- Near miss reporting;
- Personal observations
- Health Safety Representative Committee items or discussions;
- Warning labels or signage (including HAZCHEM placard)
- Safety Data Sheets;
- Manufacturer's manuals or instructions;
- Technical journals;
- Consultants reports;

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- Job safety Analysis;
- Internal / External Auditing;

Assessing Risk

Having identified the risks involved in the activity, the next step is to assess these risks. Risk is the probability of an event which will have an impact (usually bad) on the activity's objectives. It is a function of both likelihood and consequences. The greater the consequences, the greater the risk. Similarly, the more certain the event, the greater the risk. Assessing risk is a two-pronged process of analysis and evaluation.

Analysing risks

Risk analysis is the process of identifying the likelihood and consequences of an event - that is, quantifying the risk - taking into account existing controls. This does not necessarily mean assigning a numerical value to the risk. Indeed, this may be inappropriate in some circumstances because it inevitably involves putting a value on human life or limb. Furthermore, there is no point in assigning values if those values do not translate into meaningful policy prescription. Ultimately, the aim of the exercise is to rank risks in order of priority.

Evaluating risks

Risk evaluation is the process of comparing quantified levels of risk against established criteria and parameters.

Risks can be placed in one of four categories low, medium, high or extreme.

Extreme risks

This is an unacceptable level of risk that must be isolated immediately. Control measures implemented to eliminate the source of the risk from the task or activity. The hazard once controlled will be transferred to the maintenance team work in progress schedule for risk reduction plan to be implemented.

High risks

This level of risk that must be isolated immediately. Control measures will be developed and implemented to eliminate the source of the risk from the task or activity. The hazard once controlled will be transferred to the maintenance team work in progress schedule. A risk reduction plan will be developed and implemented.

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Medium risks Risk reduction plan implemented using maintenance team work in progress schedule with a close out time frame. The hazard will be monitored until rectified. Review Job Safety Analysis.

Low risks Review need for action, if required raise hazard with maintenance team to become an item on the work in progress schedule. Develop schedule for close out timeframe.

How to Assess Risk

The following three steps show how to assess risk in a practical way using the Risk Ranking Chart Appendix A of the Risk Management Procedure.

1. What are the consequences of this incident occurring? Consider what could reasonably have happened as well as what actually happened. Look at the descriptions and choose the most suitable Consequence i.e. fatal, major, medical treatment, first-aid treatment, minimal harm.
2. What is the likelihood of the consequence identified in step 1 happening? Consider this without interim controls in place. Look at the descriptions and choose the most suitable Likelihood i.e. common, has happened, could happen, not likely, practically impossible.
3. Factors to consider when completing a risk assessment are exposure, working environment and the workers knowledge, skills, experience and human differences.
4. **First** Take step 1 rating and select the correct column. **Second** Take Step 2 rating and select the correct line. **Thirdly** consider all factors. **Fourthly** circle the risk score where the two ratings meet on the risk ranking chart.

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Controlling of Risks

Risk control must be achieved using a predetermined hierarchy of controls. The primary aim of risk control is to eliminate the risk, the best way of achieving this being to eliminate the hazard. If this is not possible the risk must be minimised using one or more of the other control options from the hierarchy. The risk control measure selected must be the highest possible option in the hierarchy to minimise the risk to the acceptable level as reasonably practicable (ALARP).

In many cases, it will be necessary to use more than one control method. Back-up controls, such as personal protective equipment, should only be used as a last resort or as a support to other control measures.

While the risk control process concentrates on controlling the highest ranked risks first, this does not mean that lower priority risks which can be controlled quickly and easily should not be controlled simultaneously. The best available control measures should be put in place as soon as possible.

In some cases it may be necessary to put temporary controls in place until such time as the proper controls can be instituted. Wherever there is a high risk and the control measures are not immediately available, temporary controls which reduce the risk(s) must be put in place or the activity must cease until adequate controls are implemented.

During the risk assessment process, the effectiveness of existing controls should have been evaluated. The risk control phase must take account of any necessary changes to existing control measures to ensure that the best available protection is afforded. In doing so, it is important to check current controls against the hierarchy of risk controls to determine whether the highest option on the list is used. Just because controls have been in place for some time does not mean they cannot be improved on.

As with all stages of the risk management process, consultation is required to ensure that management and staff at all levels can make a contribution to the identification, assessment and control of the risks associated with hazards.

Monitoring and Review

Risk management should be an ongoing, constantly improving process. To maintain its currency and its effectiveness it must be continuously reviewed and steps taken to redress any flaws. Monitoring and review is the means by which risk management is kept current and effective. It ensures new hazards and those overlooked in the original exercise are identified and controlled.

The monitoring and review process involves:

- systematically checking existing risk control measures to assess their effectiveness

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- collecting data on any new hazards which have arisen
- formulating new control measures.

In repeating the original elements of the risk management program, other related activities should be undertaken periodically as part of the monitoring and review system.

These include:

- scheduled inspections;
- ongoing measurement and testing;
- workplace monitoring where necessary (for hazards such as noise or contaminants);
- periodic accident analysis

Implementing Risk Management

Skillset Limited have in place several tools to ensure that risk management is conducted accordingly. The following are procedures and forms which use the risk management principles:

- Personal Injury Report
- Incident Report
- Hazard Report
- Workplace Hazard Inspection Checklists
- Risk Management Procedure

Program Evaluation

In order to ensure that these guidelines continue to effective and applicable to Skillset Limited, the Risk Management Program will be reviewed annually by the Safety Manager in consultation with the H&S Committee. The review is to focus on the effectiveness of the methods used to identify, assess and control risk in the workplace to ensure relevance, currency and compliance. Conditions which might warrant a review of the guidelines on a more frequent basis would include:

- reported hazards or injuries;
- non-conforming systems;
- H&S Committee concerns;
- Legislative changes.

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Following the completion of any review, the program will be revised / updated in order to correct any deficiencies. These changes will be communicated via the H&S Committee, toolbox talks / Safety Alerts.

Variations

Skillset reserves the right to vary, replace or terminate this policy from time to time.

Associated Documents

- WHS Policy

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