



QSE Risk Management Procedure

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Amendment Register

What	When	Whom	Rev Num

1. Purpose

The purpose of this procedure is to detail the process of how risk management will be planned, implemented, monitored and reviewed in all business processes and workplaces controlled by the company.

2. Risk Summary

Risk management can create confusion and if poorly addressed in our work areas can result in poor quality products and services where our customer's needs are not met, regarding the timeliness and or budgetary costing agreed to. In turn we can expose our workers, subcontractors, members of the public and clients to serious injury or loss of life and finally we can impact on the surrounding environment which could result in short or long term environmental harm.

In addition there is a potential for supposedly low risk work activities in quality, safety and environmental outputs escalating if not adequately controlled by The Company management system and in turn losing our customers support as being seen as the number one provider of specialist service to industry cohorts.

All of these potential situations through our business service offering can produce undesirable and impacting results on our brand and this is unacceptable risk to how we offer our business services to our customers.

3. QSE Risk Management - Plan – Implement – Monitor - Review

The objective of this risk management procedure is:

- (i) to identify QSE hazards in our different workplaces and to develop appropriate control measures, including work methods and procedures to ensure all activities produce ongoing positive performance;
- (ii) to prevent the occurrence of quality defects, safety incidents and environmental impacts, resulting either in financial, personal injury or permanent environmental harm and to reduce the severity of such incidents and
- (iii) to continuously improve all part of the QSE integrated management system.

The Company will ensure compliance with all federal, state or territory statutory legislation, and Australian or ISO Standards and actively promote positive work practices among all officers, workers PCBUs and other interested parties, who in turn will give a positive commitment to all work health and safety, environmental and quality programs.

4. Hazard Identification

This involves a systematic program to identify and document all actual and potential QSE hazards in the workplace. A hazard is any activity, item or process (goods or service) with the potential to cause some form of detrimental effect or loss. All hazards resulting from QSE activities must be identified.

Methods of identification include:

1. Planning reviews incorporating design, engineering, buildability constructability specific to individual or multiple workplaces
2. Observation of activities at workplaces
3. Consultation with all officers, workers, PCBUs and other interested parties who are affected by our activities.
4. Review of QSE non-conformance reports including subsequent corrective and preventative actions and statistical analysis.
5. Continuously reviewing and monitoring changes to federal, state, territory and local government regulatory requirements and Australian / ISO Standards and
6. The acquisition and exchange of information from internal and external parties including federal and state based regulators.

5. Risk Ranking - Inherent

This involves a process to determine what the potential likelihood that a particular QSE activity/hazard may cause either a dissatisfied customer, injury or illness or an environmental incident, and the consequence (possible outcome of the event) from the QSE activity/hazard, with the use of semi quantitative descriptors. The descriptors help the individual / team assessing

the potential QSE risk exposure to define what QSE activity/hazard needs to be ranked first using the hierarchy of controls and so far as reasonably practicable (SFARP), this is termed the inherent risk.

6. Risk Control Measures

This involves assessing and defining specific requirements and or actions to reduce or eliminate risks associated with specific QSE activities by using the hierarchy of controls methodology and SFARP. Ensuring legislative requirement are met

7. Legislative Reference

Individual QSE hazards will have specific requirements including federal state or local government statutory Acts, Regulations, Codes of Practice, Australian or ISO standards or client contractual requirements that should be listed as references and guidelines. These references will help our organization focus when reviewing our risk register for compliance and in turn determine when changes are required through regular hazard reviews or when a significant QSE event occurred.

8. Company Additional Control Measures

Our company normally assigns risk control priorities to individual QSE activities (refer to section 6). In turn our company shall define specific additional control measures above those which are legally required. These additional controls are determined to provide confidence to the senior management team, that they are meeting their Officer / PCBU duties. These additional controls for key QSE activities ensure they are prioritised differently from other high, medium and low risk QSE activities. For example permit to works, higher levels of supervision and inspection regimes additional training.

9. Potential Emergencies

Potential emergencies will be identified within the risk register and will require the development of specific emergency treatment/s. The intent of identifying potential emergencies scenarios is to ensure the QSE system documents relevant processes, i.e. emergency plans, SWMS, SOPs and checklists.

10. Potential Health Surveillance and Exposure Monitoring

Potential health surveillance and exposure monitoring will be identified within the risk register and will require the development of risk treatments for such personal exposure. The intent of identifying potential health surveillance and exposure monitoring scenarios is to ensure the QSE system document and supporting processes ensure compliance to legislative requirements pertaining the work activity.

11. Risk Ranking - Residual

Once the most appropriate control measures have been defined the individual / team can reassess the risk level using the likelihood and consequence descriptors. This reassessment will normally reduce the risk exposure down to more acceptable appetite level commonly termed as residual risk. In turn the risk action matrix table 6 identifies what position in the organization is responsible and accountable for that QSE activity residual risk level.

12. Hierarchy of Control



- a. eliminating the risk by removing the hazardous QSE activity;
- b. substitute QSE activity using a less hazardous goods or service
- c. isolate the QSE activity thereby separating the hazard
- d. engineering and modifying the QSE activity to make it safer or
- e. adopting administrative controls such as documented QSE work practices and task specific training and finally the least effective control measure is
- f. providing personal protective equipment so as to minimise exposure to the QSE hazard.

13. Monitor and Review

Once all QSE control measures have been implemented, individual hazards shall require ongoing monitoring and review, defined by set timeframes and designated organizational positions accountable for compliance and risk register review.

Table 1 - Consequences if WHS hazard occurs

Risk Level Descriptor	DESCRIPTION
Insignificant Category 3	Potential incident recorded and any activity which may cause injury requiring local first aid with no rehabilitation period.
Minor Category 3	Activities which may cause injury requiring medical treatment off site with no rehabilitation period
Moderate Category 2	Activities which may cause injury not requiring hospitalisation but where a short rehabilitation period is required. LTI 4 days or less
Major Category 2	Activities which may cause injuries requiring hospitalisation and a significant period of rehabilitation before being able to recommence work. LTI 5 days or more
Catastrophic Category 1	Activities could cause death or permanent disability that prevents any return to work

Table 2 - Consequences if ENVIRONMENTAL hazard occurs

Risk Level Descriptor	DESCRIPTION
Insignificant Category 3	Minor effect but not affecting the ecosystem functions. Potential for environmental impact, no direct loss of material
Minor Category 3	Short term effect but not affecting the ecosystem functions. Minimal environmental impact, minor loss of material from site but all materials containable. No requirement for remedial activities
Moderate Category 2	Short term effect which affects the ecosystem function. Impact on the environment, some damage to surrounding flora & fauna requiring some remedial activities
Major Category 2	Medium term effect which affects the ecosystem function. Significant impact on an environmental area, irreparable damage to surrounding flora & fauna, major remedial action required, regulatory restrictions on site operations.
Catastrophic Category 1	Long term effect which affects the ecosystem function. Destruction of a habitat, extensive destruction of surrounding flora & fauna, high profile prosecution of company & individuals.

Table 3 - Consequences if QUALITY hazard occurs

Risk Level Descriptor	DESCRIPTION			
	Time Management	Financial Exposure	Reputation & Brand	Other – IT – Customer -
Insignificant Category 3	Activity overruns stated timeframe by 1 day	<\$1000	Issue resolved promptly by day to day management process	
Minor Category 3	Activity overruns stated timeframe by 1 week	>\$1000 <\$5000	Issue raised by customer continues on and has to be addressed by formal meeting	
Moderate Category 2	Activity overruns stated timeframe by 2 week	>\$5000 < \$25000	Issue raised by customer is communicated back to business by another customer	
Major Category 2	Activity overruns stated timeframe by 4 week	>\$25000 < \$50000	Embarrassment for business, including adverse media coverage	
Catastrophic Category 1	Activity overruns stated timeframe by 8 week	>\$50000	Business reputation is affected nationally	

Table 4- Likelihood of ACTMITY/HAZARD occurring

Risk Level Descriptor	DESCRIPTION
Rare	May occur only in exceptional circumstances – has not previously occurred
Unlikely	Could occur in the future – has rarely occurred in the past
Moderate	Might occur at some time – has occurred occasionally in the past
Likely	Is likely to occur in most circumstances – has occurred at regular intervals in the past
Almost certain	Could happen at any time – has occurred frequently in the past

Table 5- Risk Ranking Matrix

LIKELIHOOD	Consequences				
	Insignificant	Minor	Moderate	Major	Catastrophic
Almost certain	M 5	H 10	H 15	E 20	E 25
Likely	M 4	M 8	H 12	H 16	E 20
Moderate	L 3	M 6	M 9	H 12	H 15
Unlikely	L 2	L 4	M 6	M 8	H 10
Rare	L 1	L 2	L 3	M 4	M 5

Table 6- Risk assessment ACTION matrix for QSE issues

Risk level	Organisational Accountability and Responsibility Matrix (Action Priority)
E – extreme	Immediate action required – work shall not commence – contact senior management immediately
H – high	Management action required with QSE responsibilities communicated and delegated at workplace level For example consider additional control priorities such as permit to works, higher levels of supervision, inspection regimes and additional specific training - Project Manager
M – moderate	Workplace supervisory responsibilities must be delegated and communicated – Project Supervisor
L – low	Workers can manage by routine procedures such as JSEA / SWMS / SOPs and workplace communication and consultation processes conducted on a regular basis – Workgroup Supervisor

14. QSE Accountability and Responsibility Incident Consequence Action Plan

As a company we do not accept “extreme” residual risk rating for any type of QSE and or financial outcomes

All Category 1 outcome consequences shall be formally managed using the incident investigation, corrective action and preventative action procedure by the QSE manager and a Senior Management representative and when required by an external party or regulator.

All Category 2 outcome consequences shall be formally managed using the incident investigation, corrective action and preventative action procedure by the QSE Manager, Line Managers and or HSRs

All Category 3 outcome consequences shall be formally managed using the incident investigation, corrective action and preventative action procedure at the workplace by HSR and or Supervisor.

15. Example of QSE Company or Project Risk Register

Activity Program	Hazard	Likelihood	Consequence	Inherent Risk Ranking	Control Measures	Legislative Reference	Any Company Additional Controls Measures	Potential Emergencies	Potential health surveillance and exposure monitoring	Residual Risk Ranking	Hierarchy of Control	Monitoring Action and Time Frame	Review By Whom