

# Risk Management Policy and Procedure

## 1. Purpose and Scope

This policy establishes the process for the management of risks faced by **trustea Secretariat**. The aim of risk management is to maximize opportunities in all **trustea Secretariat** activities and to minimize adversity.

The policy applies to all activities and processes associated with the normal operation of **trustea Secretariat**.

It is the responsibility of all employees as well as business associates (e.g. CB, IP, CP, etc) to identify, analyse, evaluate, respond, monitor and communicate risks associated with any activity, function or process within their relevant scope of responsibility and authority.

This policy does not detail consumer risk management.

## 2. Definitions

Risk is the likelihood is the likelihood that a harmful consequence (death, injury or illness) might result when exposed to a hazard.

Risk is characterized and rated by considering two characteristics:

1. Probability or likelihood (L) of occurrence; and
2. Consequence (C) of occurrence.

This is expressed as  $R \text{ (risk)} = L \text{ (likelihood)} \times C \text{ (consequence)}$ .

Likelihood is a qualitative description of probability or frequency.

Consequence is the outcome of an event, being a loss, injury, disadvantage or gain. There may be a range of possible outcomes associated with an event.

Risk control means taking action to first eliminate health and safety risks so far as is reasonably practicable, and if that is not possible, minimising the risks so far as is reasonably practicable. Eliminating a hazard will also eliminate any risks associated with that hazard

Risk Assessment is the process of evaluating and comparing the level of risk against predetermined acceptable levels of risk.

Risk Management is the application of a management system to risk and includes identification, analysis, treatment and monitoring.

Risk Owner is the person(s) responsible for managing risks and is usually the person directly responsible for the strategy, activity or function that relates to the risk.

### 3. Principles

Risk management is a key governance and management function.

**trustea Secretariat** is proactive in its approach to risk management, balances the cost of managing risk with anticipated benefits, and undertakes contingency planning in the event that critical risks are realized.

**trustea Secretariat** has the primary duty to ensure the health and safety of persons at the workplace. A duty to ensure health and safety requires **trustea Secretariat** to manage risks:

- by eliminating health and safety risks so far as is reasonably practicable; and
- if it is not reasonably practicable to eliminate the risks, by minimizing those risks so far as is reasonably practicable.

Deciding what is 'reasonably practicable' to protect people from harm requires weighing up certain matters, including the likelihood of a hazard or risk occurring and the degree of harm that would result, and then making a judgment about what is reasonable in the circumstances.

Effective risk management involves:

- a commitment to health and safety from the **trustea Secretariat** top management
- the involvement and cooperation of **trustea Secretariat**'s employees & business associates.

### 4. Expected Outcomes

As far as is reasonably practicable, workers, consumers and other persons are not put at risk from work carried out by **trustea Secretariat**.

**trustea Secretariat** is protected from adverse incidents, reduces its exposures to loss, and mitigates and controls loss should it occur.

**trustea Secretariat** has ongoing, unimpeded capacity to fulfil its mission, perform its key functions, meet its objectives and support its consumers.

The costs of risk to **trustea Secretariat**, and its funding partners, is reduced.

## 5. Functions and Delegations

A person can have more than one duty and more than one person can have the same duty at the same time.

Position	Delegation/Task
Management	<p>Exercise due diligence to ensure that <b>trustea Secretariat</b> complies with the applicable legal framework. This includes taking reasonable steps to gain an understanding of the hazards and risks associated with the operations of <b>trustea Secretariat</b>.</p> <p>Ensure that <b>trustea Secretariat</b> has and uses appropriate resources and processes to eliminate or minimize risks to health and safety.</p> <p>Ensure, so far as is reasonably practicable, that employees and other persons are not put at risk from work carried out by or on behalf of <b>trustea Secretariat</b>.</p> <p>Ensure, so far as is reasonably practicable, that:</p> <ul style="list-style-type: none"> <li>• the workplace, including entry and exit and anything arising from the workplace are without risks to health and safety</li> <li>• the fixtures, fittings &amp; working conditions are without risks to health and safety</li> <li>• the premises, utilities, travel policies &amp; working environment is without risk to health and safety.</li> </ul> <p>Establish and implement risk management systems for all functions and activities of <b>trustea Secretariat</b>.</p>
Staff & Business Associates	<p>Comply with Risk Management Policy.</p> <p>Contribute to the establishment and implementation of risk management systems for all functions and activities of <b>trustea Secretariat</b>.</p> <p>Identify &amp; highlight any risks that can have an adverse impact on the health &amp; safety</p>

## 6. Risk Management

All members of management & and staff contribute to the establishment and implementation of risk management systems for all functions and activities of **trustea Secretariat**.

## 7. Policy Implementation

Risk management forms part of strategic, operational and line management responsibilities, and is integrated into strategic and service planning processes.

Risk management is embedded in all policies and procedures, with workers contributing to risk management systems.

## 8. Policy Detail

**trustea Secretariat** aims to achieve better practice in the management of risks that threaten to adversely impact on **trustea Secretariat**, its functions, objectives, operations, assets, staff, consumers or members of the public.

**trustea Secretariat** does whatever it can whatever is 'reasonably practicable') to ensure its workers, consumers and other people are not harmed by its activities.

Risk management involves four steps :

1. identify hazards – find out what could cause harm
2. assess risks – understand the likelihood of a hazard causing harm and how serious it could be,
3. control risks – implement the most effective control measure that is reasonably practicable in the circumstances, and
4. review control measures to ensure they are working as planned.

Many hazards and their associated risks are well known and have well established and accepted control measures. In these situations, the second step to formally assess the risk is unnecessary.

If, after identifying a hazard, we already know the risk and how to control it effectively, **trustea Secretariat** just implements the controls.

### **Consultation Approach**

Consultation with employees & business associates is required at each step of the risk management process. By drawing on their experience, knowledge and ideas, **trustea Secretariat** is more likely to identify all hazards and choose effective risk controls.

**trustea Secretariat** encourages its employees & business associates to report any hazards and health and safety problems immediately so that risks can be managed before an incident occurs.

### **When should a risk management approach be used?**

Managing work health and safety risks is an ongoing process that is triggered when changes affect **trustea Secretariat**'s work activities – changes such as:

- New program start-up
- changing work practices, procedures or the work environment
- purchasing new or used equipment or using new substances
- planning to improve productivity or reduce costs
- new information about workplace risks becomes available
- responding to workplace incidents (even if they have caused no injury)
- responding to concerns raised by employees, business associates or others at the **trustea Secretariat** workplace, and
- as required by local regulations for specific hazards

**trustea Secretariat** also uses the risk management approach when designing and creating processes or places used for work, because it is often easier and more effective to eliminate hazards before they are introduced into a workplace and to incorporate safety features in the early stages of product or process development.

## STEP 1 – HOW TO IDENTIFY HAZARDS

Identifying hazards involves finding all of the things and situations that could potentially cause harm to people. Hazards generally arise from three aspects of work and their interaction:

- The physical work environment
- The equipment, materials and substances used
- The work tasks and how they are performed

Some potential hazards that may be encountered at **trustea Secretariat** include:

- a) Manual tasks: overexertion or repetitive movement can cause muscular strain, frequent & long travelling, standing/talking for long hours, sitting postures, etc
- b) Electricity: potential ignition source; exposure to live electrical wires can cause shock, burns or death from electrocution,
- c) Noise: exposure to loud noise can cause permanent hearing damage
- d) Biological: viruses, bacteria, fungi can cause hepatitis, legionnaires' disease, Allergies, etc
- e) Psychosocial hazards: effects of work-related stress, bullying, violence and work-related fatigue

### How to find hazards

#### Inspect the workplace

Regularly walking around the workplace and observing how things are done can help you predict what could or might go wrong. Look at how people actually work, how equipment/device is used, what safe or unsafe work practices exist as well as the general state of housekeeping.

Things to look out for include:

- Does the work environment enable persons to carry out work without risks to health and safety (for example, space for unobstructed movement, adequate ventilation, lighting)?
- How suitable are the devices and equipment for the task and how well they are maintained?
- Have any changes occurred in the workplace which may affect health and safety?
- If persons have developed a shortcut, is it safe?

Hazards are not always obvious. Some hazards can affect health over a long period of time or may result in stress (such as bullying) or fatigue (such as shiftwork / extended working hours). Also think about hazards that you may bring into your workplace as new, used or hired goods (for example, worn insulation on hired welding set).

As you walk around, you may spot straightforward problems and action should be taken on these immediately. Make a list of all the hazards you can find, including the ones you know are already being dealt with, to ensure that nothing is missed. You may use a checklist designed to suit your workplace to help you find and make a note of hazards.

#### Consult your employees

Ask your employees about any health and safety problems they have encountered in doing their work and any near misses or incidents that have not been reported. Such surveys can also be undertaken to obtain information about matters such as workplace bullying, as well as muscular aches and pains that can signal potential hazards.

#### Review available information

Information and advice about hazards and risks relevant to particular industries and types of work is available from regulators, industry associations, unions, technical specialists and safety consultants.

#### Review incident records and data

Analyse your records of workplace incidents, near misses, worker complaints, sick leave and the results of any inspections and investigations to identify hazards. If someone has been hurt doing a particular task, then a hazard exists, which could hurt someone else. These incidents need to be investigated to find the hazard that caused the injury or illness.

## **STEP 2 – HOW TO ASSESS RISKS**

A risk assessment involves considering what could happen if someone is exposed to a hazard and the likelihood of it happening. A risk assessment can help you determine:

- how severe a risk is
- whether any existing control measures are effective
- what action you should take to control the risk, and
- how urgently the action needs to be taken.

A risk assessment can be undertaken with varying degrees of detail, depending on the type of hazards and the information, data and resources that you have available. It can be as simple as a discussion with your workers or involve specific risk analysis tools and techniques recommended by safety professionals.

### **When should a risk assessment be carried out?**

A risk assessment should be done when:

- there is uncertainty about how a hazard may result in injury or illness, or
- the work activity involves a number of different hazards and there is a lack of understanding about how the hazards may interact with each other to produce new or greater risks.

A risk assessment is mandatory under the local Regulations for some hazards, for example, entry into confined spaces, working hours for women, etc.

A risk assessment is not necessary in the following situations:

- Legislation requires some hazards or risks to be controlled in a specific way – these requirements must be complied with.
- A code of practice or other guidance sets out a way of controlling a hazard or risk that is applicable to your situation and you choose to use the recommended controls. In these instances, the guidance can simply be followed.
- There are effective controls that are in widespread use in the particular industry, that are suited to the circumstances in your workplace. These controls can simply be implemented.

## **How to do a risk assessment**

All hazards have the potential to cause different types and severities of harm, ranging from minor discomfort to a serious injury or death.

Some hazards such as noise and atmospheric contaminants may require scientific testing or measurement to accurately assess the risk (for example, using noise meters to measure noise levels).

### Work out the amount of harm that could occur

To estimate the amount of harm that could result from each hazard you should consider the following questions:

- What type of harm could occur (e.g. muscular strain, fatigue, burns, laceration)? How severe is the harm? Could the hazard cause death, serious injuries, illness or only minor injuries requiring first aid?
- What factors could influence the severity of harm that occurs? For example, the distance someone might fall will determine the level of harm that is possible. The harm may occur immediately something goes wrong (e.g. injury from a fall) or it may take time for it to become apparent (e.g. illness from long term exposure to a specific working condition).
- How many people are exposed to the hazard and how many could be harmed (in and outside your workplace)?

- Could one failure lead to other failures? For example, could the failure of your electrical supply make any risk controls that rely on electricity ineffective?
- Could a small event escalate to a much larger event with more serious consequences? For example, a minor fire can get out of control quickly in the presence of large amounts of unnecessary combustible materials.

#### Work out how hazards may cause harm

In most cases, incidents occur as a result of a chain of events and a failure of one or more links in that chain. If one or more of the events can be stopped or changed, the risk may be eliminated or reduced.

One way of working out the chain of events is to determine the starting point where things begin to go wrong and then consider: 'If this happens, what may happen next?' This will provide a list of events that sooner or later causes harm.

In thinking about how each hazard may cause harm, you should consider:

- the effectiveness of existing control measures and whether they control all types of harm,
- how work is actually done, rather than relying on written manuals and procedures, and
- infrequent or abnormal situations, as well as how things are normally meant to occur.

Consider maintenance and cleaning, as well as breakdowns of equipment (eg computers, vehicles) and failures of health and safety controls.

#### Work out the likelihood of harm occurring

The likelihood that someone will be harmed can be estimated by considering the following:

- How often is the task done – does this make the harm more or less likely?
- How often are people near the hazard? How close do people get to it?
- Has it ever happened before, either in your workplace or somewhere else? How often?

You can rate the likelihood as one of the following:

- Certain to occur - expected to occur in most circumstances
- Very likely - will probably occur in most circumstances
- Possible – might occur occasionally
- Unlikely – could happen at some time
- Rare – may happen only in exceptional circumstances

The level of risk will increase as the likelihood of harm occurring and its severity increases.

### **STEP 3 – HOW TO CONTROL RISKS**

There are many ways to control hazards and risks. Some controls are more effective than others. Use the consultation approach, as explained above to decide on type and extent of controls to be undertaken.

The most important step in managing risks involves:

- eliminating them so far as is reasonably practicable, or if that is not possible,
- minimising the risks so far as is reasonably practicable.

Consider various control options and choose the control that most effectively eliminates the hazard or minimises the risk in the circumstances. This may involve a single control measure or a combination of different controls that together provide the highest level of protection that is reasonably practicable.

## The hierarchy of control

The ways of controlling risks can be ranked from the highest level of protection and reliability to the lowest. This ranking is known as the hierarchy of control.

You must always aim to eliminate a hazard, which is the most effective control. If this is not reasonably practicable, you need to minimize the risk by working through the other alternatives in the hierarchy.

### Level 1 control measures

**The most effective control measure involves eliminating the hazard and associated risk. The best way to do this is by, firstly, not introducing the hazard in the workplace.**

For example, you can eliminate the risk of a fall from height by doing the work at ground level.

Eliminating hazards is often cheaper and more practical to achieve at the design or planning stage of a product, process or place used for work. In these early phases there is greater scope to design out hazards or incorporate risk control measures that are compatible with the original design and functional requirements. For example, a noisy machine could be designed and built to produce as little noise as possible which is more effective than providing workers with personal hearing protectors.

**You can also eliminate risks by removing the hazard completely, for example, by removing trip hazards on the floor or disposing unwanted chemicals.**

It may not be possible to eliminate a hazard if doing so means that you cannot make the end product or deliver the service. If you cannot eliminate the hazard, then eliminate as many of the risks associated with the hazard as possible.

### Level 2 control measures

If it is not reasonably practicable to eliminate the hazards and associated risks, you should minimise the risks using one or more of the following approaches:

- *Substitute the hazard with something safer*  
(eg, replace solvent based paints with water based ones).
- *Isolate the hazard from people*  
This involves physically separating the source of harm from people by distance or using barriers. For instance, install guard rails around exposed edges and holes in floors, use remote control systems to operate machinery, store chemicals in a fume cabinet.
- *Change the workplace, equipment or work process (engineering controls)*

For instance, use mechanical devices such as trolleys or hoists to move heavy loads, place guards around moving parts of machinery, install residual current devices (electrical safety switches), set work rates on a production line to reduce fatigue.

### Level 3 control measures

These control measures rely on human behavior and supervision, and used on their own, tend to be least effective in minimizing risks. Two approaches to reduce risk in this way are:

- *Use administrative controls:*  
For instance, develop procedures on how to operate machinery safely, limit exposure time to a hazardous task by job rotation, carry out preventative maintenance on machinery and equipment, provide training and instruction on safe handling for a manual task, use signs to warn people of a hazard.
- *Use personal protective equipment (PPE):*  
Examples of PPE include breathing protection, gloves, aprons and protective eyewear. PPE limits exposure to the harmful effects of a hazard but only if workers wear and use the PPE Correctly

Administrative controls and PPE should only be used:

- when there are no other practical control measures available (as a last resort)
- as an interim measure until a more effective way of controlling the risk can be used, or
- to supplement higher level control measures (as a back up).

### **How to develop and implement control options**

Information about suitable controls for many common hazards and risks can be obtained from:

- codes of practice and guidance material
- manufacturers and suppliers of plant, substances and equipment used in your workplace, and
- industry associations and unions.

In some cases, published information will provide guidance on the whole work process. In other cases, the guidance may relate to individual items of plant or how to safely use specific substances.

You can use the recommended control options if they suit your situation and eliminate or minimize the risk.

### Developing specific control measures

You may need to develop specific control measures if the available information is not relevant to the hazards and risks or circumstances at your workplace. This can be done by referring to the chain of events that were recorded during the risk assessment.

For each of the events in the sequence, ask: “What can be done to stop or change the event occurring?” Working through the events in the sequence will give you ideas about all possible ways to eliminate or minimize the risk. There may be more than one solution for each of the events. The control options you choose need to be:

- One that provides the highest level of protection for people and is the most reliable – that is, controls located towards the top of the hierarchy in Figure 2.
- Available – that is, it can be purchased, made to suit or be put in place.
- Suitable for the circumstance in your workplace – that is, it will work properly given the workplace conditions, work process and your workers.

Where the hazard or risk has the potential to cause death, serious injury or illness, more emphasis should be given to those controls that eliminate or reduce the level of harm, than those that reduce likelihood.

Make sure that your chosen solution does not introduce new hazards.

### Cost of control measures

All risks can be controlled and it is always possible to do something, such as stopping the activity or providing instructions to those exposed to the risk. There will normally be a number of different options between these two extremes. Cost (in terms of time, effort as well as money) is just one factor to consider when determining the best control option.

The cost of controlling a risk may be taken into account in determining what is reasonably practicable, but cannot be used as a reason for doing nothing.

The greater the likelihood of a hazard occurring and/or the greater the harm that would result if the hazard or risk did occur, the less weight should be given to the cost of controlling the hazard or risk.

If two control measures provide the same levels of protection and are equally reliable, you can adopt the least expensive option.

Cost cannot be used as a reason for adopting controls that rely exclusively on changing people’s behavior or actions when there are more effective controls available that can change the risk through substitution, engineering or isolation.

### Implementing controls

The control measures that you put into operation will generally require changes to the way work is carried out due to new or modified equipment or processes, or new personal protective equipment. To allow your chosen control measures to operate effectively, you should:

- *Develop work procedures*

If the control measures are designed to address significant risks then it may be necessary to develop a safe work procedure which describes the task, identifies the hazards and documents how the task is to be performed to minimise the risks.

- *Provide training, instruction and information*

You should train your workers in the work procedure to ensure that they are able to perform the task safely. Training should require workers to demonstrate that they are competent in performing the task according to the procedure. It is insufficient to simply give a worker the procedure and ask them to acknowledge that they understand and are able to perform it. You should ensure that all training, instruction and information is provided in a form that can be understood by all workers.

Information and instruction may also need to be provided to others who enter the workplace, such as customers or visitors.

- *Provide supervision*

In determining the level of supervision required you should consider the level of risk and the experience of the workers involved. High levels of supervision are necessary where inexperienced workers are expected to follow new procedures or carry out difficult and critical tasks.

You should prepare a risk management plan that identifies the hazards, what action needs to be taken, who will be responsible for taking the action and by when. An example is provided at Appendix A.

## **STEP 4 – HOW TO REVIEW CONTROLS**

The controls that you put in place to protect the health and safety of people need to be monitored and reviewed regularly to make sure they work as planned. Don't wait until something goes wrong.

There are certain situations where you will be required to review your control measures under the Local Regulations and, if necessary, revise them. A review is generally required when:

- a significant change occurs to the workplace, work process or system of work
- there is evidence that a risk control measure does not adequately control the risk, or
- a notifiable incident occurs.

You can use the same methods as in the initial hazard identification step to check controls. Consultation approach can consider the following questions:

- Are the control measures working effectively in both their design and operation?
- Have the control measures introduced new problems?
- Have all hazards been identified?
- Have new work methods, new equipment or chemicals made the job safer?
- Are safety procedures being followed?
- Has instruction and training provided to workers on how to work safely been successful?
- Are workers actively involved in identifying hazards and possible control measures? Are they openly raising health and safety concerns and reporting problems promptly?
- Has the frequency & severity of health & safety incidents reduced over time?
- If new legislation or new information becomes available, does it indicate current controls may no longer be the most effective?

If problems are found, go back through the risk management steps, review your information and make further decisions about risk control.

### **How to ensure that controls remain effective**

The following actions will help you monitor the control measures you have implemented and ensure that they remain effective:

- *Accountability for health and safety* – accountability must be clearly allocated to ensure procedures are followed and maintained. Where managers and supervisors have health and safety responsibilities they must have the authority and resources to meet them. Remember, you have the duty of ensuring that they carry out the responsibilities you give them.
- *Regular review* – risk controls are more effective where there is regular review of work procedures and consultation with your workers and their representatives. All incident investigations should include a review of any relevant procedures.
- *Effective communication* – risk controls are more effective where procedures are communicated in appropriate language, and signs and symbols are used.

- *Up-to-date training and competency* – risk controls, particularly lower level controls, depend on all workers and supervisors having the appropriate competencies to do the job safely. Training should be provided to maintain competencies and to ensure new workers are capable of working safely.
- *Up-to-date hazard information and risk assessments* – information about hazards, such as plant and substances, may be updated by manufacturers and suppliers and should be checked to make sure controls are still relevant. New technology may provide more effective solutions than were previously available. Changes to operating conditions or the way activities are carried out may also mean that risk assessments need to be updated.

## HOW TO KEEP RECORDS

Keeping records of the risk management process demonstrates potential compliance with the Local Act and Regulations. It also helps when undertaking subsequent risk assessments.

Keeping records of the risk management process has the following benefits. It:

- allows you to demonstrate how decisions about controlling risks were made
- assists in targeting training at key hazards
- provides a basis for preparing safe work procedures
- allows you to more easily review risks following any changes to legislation or business activities
- allows new staff to understand why risk control decisions have been made,
- demonstrates to others (regulators, investors, shareholders, customers) that work health and safety risks are being managed.

The detail and extent of recording will depend on the size of your workplace and the potential for major work health and safety issues. It is useful to keep information on:

- the identified hazards, assessed risks and chosen control measures (including any hazard checklists, worksheets and assessment tools used in working through the risk management process)
- how and when the control measures were implemented, monitored and reviewed
- who you consulted with
- relevant training records; and

- any plans for changes.

There are specific record keeping requirements in the WHS Regulations for some hazards, such as hazardous chemicals. If such hazards have been identified at your workplace, you must keep these records for the time specified.

Make sure that everyone in your workplace is aware of record keeping requirements, including which records are accessible and where they are kept.