



workplace *safety*

THE ACT COMMUNITY SERVICES HEALTH & SAFETY PACK

# RISK MANAGEMENT APPROACH



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ACT Occupational Health & Safety  
Commissioner

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**Acknowledgements**

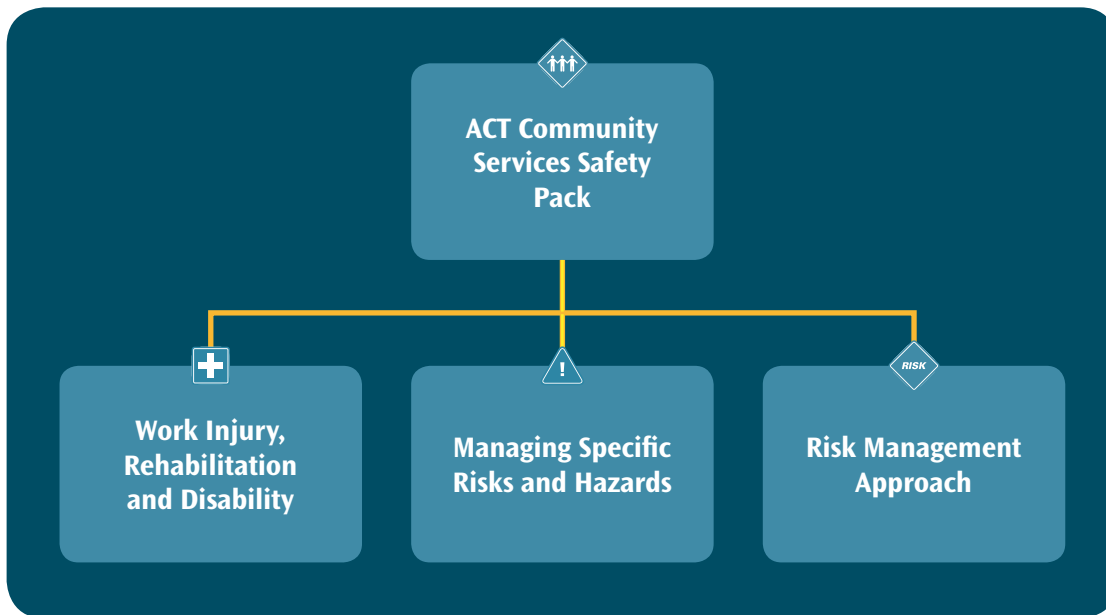
This publication is based on the Community Services Safety Pack developed by Workcover New South Wales and Working Safely in Community Services developed by Worksafe Victoria. It has been developed with the support of the ACT Department for Disability, Housing and Community Services and ACT community service agencies.

This document has been developed to comply with ACT legislation and to incorporate relevant helpful contact information.

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# 1 Context of the Risk Management Approach Document



The ACT Community Services Safety Pack is the “parent” document that provides summarised occupational health and safety information for community service agencies in the ACT. Specific topics that require additional explanation are contained in booklets that are linked to the parent document. Where this is the case the Community Services Safety Pack will highlight the need to refer to a specific booklet for further information.

The Risk Management Approach is a more in depth look at the elements of risk management and provides an easy to follow model for implementing risk management in your workplace.

The Risk Management Approach document is designed to be user friendly and is available in hard copy from the Office of the ACT OHS Commissioner and on the ACT OHS Commission website: [www.worksafety.act.gov.au](http://www.worksafety.act.gov.au)

## 1.1 WHO IS THIS RESOURCE INTENDED FOR?

The Risk Management Approach booklet is written for management committee members, managers, directors and supervisors of community service organisations and members of health and safety committees. The contents of this document may be useful to use in training with your staff and volunteers and may also be used as a guide in developing your organisation’s risk management policies and procedures and implementing a risk management process.

# 2 Risk Management Basics

## 2.1 WHAT IS RISK MANAGEMENT

Risk Management is a strategic proactive approach to mitigating risks and addressing hazards in the work place. It is important to realise that risks and hazards are not the same thing.

In many cases the terms “hazard” and “risk” are used interchangeably, however, hazard has a more general application and risk has a specific application.

Risk management has four main stages: risk identification, risk assessment, risk control and review. In many cases in the early phase of identifying risk, we may in fact be looking to identify all risks associated with a particular activity or process, in which case the activity is more properly referred to as hazard identification, risk assessment then risk control.

### 2.1.1 What is a Risk?

A risk is the likelihood of illness, injury or death occurring following exposure to a hazard. In addition, it is the likelihood of a specific consequence occurring. Risks are usually expressed in terms of likelihood and consequences, e.g. the risk of contracting Ross River Fever while working in Tasmania might be considered low.

### 2.1.2 What is a Hazard?

A hazard is something with the potential to cause harm. It is an act or condition that has the potential to cause damage to plant or equipment, or result in an illness or injury to the person. Hazards can be categorised by the type of outcome, energy exchange process or geographic location, e.g. manual handling hazards, slips and trips, laundry hazards. This can include chemical substances, work environment, operating equipment, work processes and/or violence in the workplace.

## 2.2 GOOD MANAGEMENT PRACTICE

The Australian Standard for Risk Management, Australian Standard AS/NZ 4360:1999-Risk Management, defines risk management as being good management practice. The standard states:

“Risk management is recognised as an integral part of good management practice. It is an interactive process consisting of steps, which when undertaken in sequence, enable continual improvement in decision making. Risk management is the term applied to a logical systematic method of establishing the context, identifying, analysing, treating, monitoring and communicating risks associated with any activity, function or process in a way that will enable organisations to minimise losses and maximise opportunities. Risk management is as much about identifying opportunities as avoiding or mitigating losses.”

## 2.3 SYSTEMATIC APPROACH TO THE MANAGEMENT OF HAZARDS AND ASSOCIATED RISKS

The aim of the risk management approach is to minimise the likelihood or consequence of a particular risk to a level that is minimal and that we are prepared to accept. The risk management process includes:

1. Identification of a hazard
2. Identification of the associated risk
3. Assessment of the risk which includes:
  - The likelihood
  - The consequence
  - Assigning a priority for rectification
4. Control the risk using a hierarchy of control measures consisting of (in order of preference):
  - Elimination
  - Substitution
  - Isolation
  - Engineering controls
  - Administrative controls (SOPs, training)
  - Personal Protective Equipment
5. Documentation of the process
6. Monitoring and review of the process.

# 3 Risk Management Model

## 3.1 A RISK MANAGEMENT SYSTEM

The best way to prevent injuries or illness in your workplace is to find the hazards that could injure your workers and fix them.

Risk management is not a one-off activity. It should be carried out on a continuous improvement basis. The diagram on page 9 illustrates the steps in the risk management model and how each step leads into the other in a continuous cycle of improvement.

In reference to the previous section, one way to manage risk is to follow the six step risk management approach as specified in the ACT OHS Commission publication *6 Steps to Risk Management*. This booklet however, outlines a more simplified risk management model called the SAFE method. Both of these approaches are valid. The SAFE method is more suitable, however, for smaller organisations or those with little prior health and safety experience.

## 3.2 THE SAFE RISK MANAGEMENT MODEL

The SAFE Risk Management Model is a simple and easy to remember process for undertaking risk management. The SAFE risk management model enhances health and safety in the workplace and incorporates a simple four step process. The steps are: Spot, Assess, Fix and Evaluate (SAFE). These steps can also be referred to as: Think, Talk, Do and Review.

Risk management is not a one-off activity. It should be carried out on a continuous improvement basis. The diagram on page 11 illustrates the steps in the risk management model and how each step leads into the other in a continuous cycle of improvement.

### The SAFE Risk Management Model

S	Spot the hazard
A	Assess the risk
F	Fix the problem
E	Evaluate the results

Practical tools have been provided on our website to help you follow the SAFE steps and make your work place safer and healthier. The risk assessment sheet in ([www.worksafety.act.gov.au](http://www.worksafety.act.gov.au)) will help you to record your progress through these steps. There is a “what to do” box at the end of each step that will help you take action on each one.

### 3.2.1 Spot the Hazard

The first step in the SAFE Model is to spot the hazard. You can achieve this by walking around your workplace and finding the obvious hazards that could put the health and safety of anyone in your workplace in danger. A hazard is anything that has the potential to cause injury, illness or damage to your health.

Some of these hazards you will be able to fix straight away, e.g. picking up a lead that may cause someone to trip, cleaning up spills on the floor or moving a frequently used item onto a lower shelf. Others will need to be dealt with more systematically.

There are a number of other ways to identify hazards in your workplace including:

- Look at the tasks your workers do and identify any hazards associated with the tasks
- Talk to your workers as they are in the best position to tell you about any hazards associated with their work
- Use the safety checklists available on the toolkit page on our website – [www.worksafety.act.gov.au](http://www.worksafety.act.gov.au)
- Review the manufacturer’s information, including material safety data sheets (MSDS)
- Check injury records and incident reports to identify what is causing your worker’s injuries.

**3.2.2 Assess the Risk**

It is important to carefully consider each identified hazard and the likelihood of someone being hurt by that hazard (occurrence risk). It is also important to consider the seriousness of injury that may be sustained by a particular hazard (seriousness risk) and how easily the risk can be mitigated (management risk).

When all of these factors are taken into account the risk is expressed in terms of high, medium or low on two levels: seriousness and likelihood. For example, the risk of someone falling from the top of the stairs may be assessed as being high in terms of seriousness because such an incident would result in serious injury or death, but it may be assessed as low in terms of likelihood. Such an assessment may give this risk a moderate priority rating as a result. If however children had access to the stairs the likelihood rating may be assessed as high and a high seriousness and high likelihood assessment would be given a high priority rating meaning that the hazard needs to be addressed urgently. The following Risk Rating matrix is one way of assessing such risks

**Risk Rating Matrix**

Impact	Likelihood				
	Rare	Unlikely	Possible	Likely	Almost certain
Catastrophic	moderate	moderate	high	critical	critical
Major	low	moderate	moderate	high	critical
Moderate	low	moderate	moderate	moderate	high
Minor	very low	low	moderate	moderate	moderate
Insignificant	very low	very low	low	low	moderate

### 3.2.3 Fix the Problem

Once you have identified the hazards and assessed their risk, you need to develop ways to fix them. This is known as risk control. You should always aim to remove a hazard completely from your workplace. Where this isn't practical, you should work through the other alternatives systematically. Working through hazards in this way is known as the hierarchy of control.

Sometimes more than one control measures should be used to reduce the exposure to hazards. Please refer to page 9 for further information on the Hierarchy of Control.

### 3.2.4 Evaluate the Results

Congratulations on taking action to fix the safety problems you've found in your workplace. Remember though that risk management is not a one-off event – it's an ongoing process. Once you've identified all the hazards, assessed their risk and fixed them, you need to follow up with the fourth step of the risk management

process which is evaluating the results. It is a good idea to schedule a regular evaluation process on a monthly bi-monthly or quarterly basis after any "fix" is implemented.

Evaluation is an important step in the risk management process. After you think you've fixed the problem, find out whether the changes have been effective. It is useful to think through the SAFE steps again to ensure no new risks have arisen.

Talk to your workers and ask them these questions:

- Are the changes making a positive difference to the work?
- What do they think about the changes?
- Will the solutions reduce the risks and prevent injury or illness?
- Do the changes create any new hazards or increase the risk of the existing ones?

Perhaps you and your workers can even see ways to make further improvements.

## 3.3 WHEN DO YOU USE THE SAFE MODEL?

You should consider conducting a risk assessment:

- Before you buy any new equipment or chemicals (get as much information from suppliers and manufacturers as possible to ensure you won't buy in new risks to your work place)
- Before you re-order the equipment or chemicals you already use in your work place
- When you are about to introduce a new work task or procedure
- When you get new information about your work tasks, procedures, equipment or chemicals
- When any previous risk assessment conducted is now likely to be out of date.

It is more cost effective in the long term to address safety proactively.



### 3.4 RISK MANAGEMENT

Ideally, you should eliminate all risks from the workplace but if this is not possible, methods must be identified to manage and reduce the risks. Some hazardous work such as dealing with infectious clients is unavoidable, but must be safely managed.

Section 37 (1) of the ACT Occupational Health and Safety Act 1989 states that *“An employer shall take all **reasonably practicable** steps to protect the health, safety and welfare at work of the employer’s employees”*

The risk of particular hazards occurring in the workplace varies, therefore risks must be prioritised to effectively manage resources and keep employees safe.

Risk assessment can be simplified to answering two simple questions:

1. How **likely** is injury or illness to occur?
2. How **severe** could the injury or illness be?

A sample risk assessment work sheet is included in the appendix of this booklet and is one way of documenting any identified hazards and deciding what priority you should give to addressing them.

Your legal obligation, as an employer, is take all reasonable steps to address the hazards in your workplace as quickly as possible in order to provide a safe and healthy work environment.

#### 3.4.1 What Does “Reasonably Practicable Mean?”

This is a legal term which in essence means that you as the employer must provide a working environment that is safe and without risk to health , so far as is reasonable. To decide what is “reasonably practicable” you must consider the following factors:

- The likelihood of the hazard occurring
- The degree of harm that could result
- What the employer concerned actually knows or ought to know about the hazard or risks and ways of eliminating or reducing it
- The availability and suitability of ways to eliminate or reduce the hazard or risk
- The cost of eliminating or reducing the hazard or risk.

# 4 OHS Policies and Procedures

## 4.1 IDENTIFYING HAZARDS

Identifying hazards and the risk of them occurring is essential to prevent or reduce injury and illness in the workplace. Hazards can arise due to the use of equipment and substances, poor work design, inappropriate practices and procedures and/or the nature of the work.

## 4.2 WHEN TO IDENTIFY HAZARDS

Hazards can be identified by observation and consultation; workplace inspections; injury and illness records and/or incident investigations.

You should take steps to identify hazards when:

- Identification has not previously been undertaken
- Designing a new job or task
- Changing a job or task
- Introducing new equipment or substances to the workplace
- Reviewing a procedure when problems have been identified (for example, after an incident)
- Preparing a submission for service funding; and planning ongoing tasks as part of continuous improvement.

OHS policies should require all employees, volunteers, contractors, supervisors and managers notify their employer when they become aware of any workplace hazards.

## 4.3 HIERARCHY OF CONTROL

This refers to the order you must apply to managing OHS risks and hazards. The higher up the hierarchy the control measure is, the more effective the control. In the community services sector, a combination of approaches will result in the most effective and appropriate solution.

It would be unusual for a single risk control to provide adequate protection unless it entirely eliminates the hazard or risk.

### 4.3.1 Hierarchy of Control Steps

The hierarchy of control steps in order of preference are:

1. Eliminate the Hazard
2. Change the Equipment or Process (Substitute the hazard)
3. Isolate the Hazard
4. Change Work Methods or Equipment (Engineering Controls)
5. Provide Training
6. Use Personal Protective Equipment (PPE)

## 4.4 HIERARCHY OF CONTROL MODEL

Once you've spotted the hazards and assessed their risk, you need to develop ways to fix them. The Hierarchy of Control Model provides useful steps to assist you to do this. The Hierarchy of Control Model assists you to go through the steps needed to control the hazard, beginning with the most desirable at Step One through to the least desirable at Step 6.

### Hierarchy of controls

1	<b>Eliminate the hazard</b> — remove it completely from your workplace.	<i>If this isn't practical, then...</i>
2	<b>Substitute the hazard</b> — with a safer alternative.	<i>If this isn't practical, then...</i>
3	<b>Isolate the hazard</b> — as much as possible away from workers.	<i>If this isn't practical, then...</i>
4	<b>Use engineering controls</b> — adapt tools or equipment to reduce the risk.	<i>If this isn't practical, then...</i>
5	<b>Use administrative controls</b> — change work practices and organisation.	<i>If this isn't practical, then...</i>
6	<b>Use personal protective equipment (PPE)</b> — this should be the last option after you have considered all the other options for your workplace.	

#### 4.4.1 Step One: Eliminate the Hazard

Complete elimination of the hazard is the most desirable outcome in the Hierarchy of Control Model. To completely remove the hazard would remove any danger for staff and mitigate any risk. This should be your goal wherever possible. It is not always possible however to completely remove the hazard. If it is not possible or practical to do so then Step Two should be considered.

#### 4.4.2 Step Two: Substitute the Hazard

Substituting the hazard with a safer alternative is then next best option to eliminating the hazard altogether. Manufacturers and designers are constantly improving on the safety aspects of machinery and technology and if it is not possible to remove the hazard you should research alternatives that are safer to use.

#### 4.4.3 Step Three: Isolate the Hazard

If it is not possible or practical to either eliminate the hazard or substitute the hazard with a safer alternative, the hazard should be isolated to minimise the risk to the smallest number of people as possible. This could involve placing the hazard in a separate, well marked area, for example.

#### 4.4.4 Step Four: Use Engineering Controls

After considering the first three steps, if it is not possible or practical to eliminate, substitute or isolate the hazard, engineering controls should be considered. This involves the use of equipment and tools to control the hazard. Examples would include the use of trolleys to avoid lifting or ladders to avoid reaching up etc.

#### 4.4.5 Step Five: Use Administrative Controls

When steps one to four have failed or are not possible or practical, administrative controls are required. This involves changing work organisation and practices

to control the hazard and provide safety to workers. It may involve training employees in the most safe method to operate.

#### 4.4.6 Step 6: Use Personal Protective Equipment

The use of personal protective equipment or PPE should be the last option employed when all other options have been exhausted. This is the least desirable step in the Hierarchy of Controls Model but it is better than doing nothing at all about the hazard. This could involve using gloves to handle printer toner etc.

#### 4.5 Finding Safety Solutions

There are many ways to find safety solutions; here are some ideas to get you started.

- Ask your workers for their ideas. They may already see safer ways to do things.
- Look at the information available from designers and manufacturers, including material safety data sheets (MSDS) and product labels.
- Consider the code of practice or Australian Standard relevant to your industry. Go to [www.standards.com.au](http://www.standards.com.au) where you can purchase a standard or subscribe to read one. Some libraries (including the Workplace Standards Library) may carry a selection of Australian Standards.
- Talk to others in the same line of work as you. Get help from any associations or groups related to your industry. Chances are they've seen the problem before and know how to fix it.
- Consult a professional OHS specialist.
- Visit either the OHS Commissioner's website ([www.worksafety.act.gov.au](http://www.worksafety.act.gov.au)), Act Office of Regulatory Services website ([www.ors.act.gov.au](http://www.ors.act.gov.au)) or any other relevant website for further sources of practical guidance or assistance.

# 5 Risk Assessment Model

## 5.1 HOW TO COMPLETE A RISK ASSESSMENT

### Step 1:

Identify hazards in the workplace by: reviewing past injury/illness and incident investigation records; talking to employees; doing a walk round inspection of the workplace; and analysing the way work tasks are performed. Consider lifting, bending and repetitive tasks, room layout, and any slip and trip hazards.



### Step 2:

Review Any guidance material, minimum standards or legislation governing the particular hazard. Where such information exists, it should be followed immediately. If no information exists, then do a risk assessment of the particular hazard.



### Step 3:

Consider who might be injured and how. Are there existing measures already in place? Are these sufficient? You should prioritise the risks to determine which ones you should address first. To help you do this, you can use the Risk Priority Chart in Appendix A.



### Step 4:

Take steps/measures to eliminate or reduce the risk. This is also known as “risk control”.



### Step 5:

Keep records of the risk assessments you have completed. Make sure that the risk controls are well documented and employees are informed about the controls and safe work procedures that have been put into place.

# 6 Summary and Conclusion

## 6.1 SUMMARY

This booklet has provided you with the essential information related to risk management and has given you helpful information in regard to establishing a risk management approach in your workplace. As with any theoretical or conceptual model, it is only effective if you use it. The most essential ingredient to this process therefore is YOU.

As the employer it is important that you prioritise occupational health and safety and integrate it into the everyday practice of the organisation. Promoting health, safety and wellbeing in your workplace will have benefits in terms of productivity and long term economics. It doesn't stop here however. Following the

guidance in this booklet only gives you the information necessary to meet the minimum legal obligations in regard to managing risks and hazards. It is much better not to have risks and hazards to begin with. This leads us to the proactive wellbeing approach to occupational health and safety.

The cost benefits to preventing accidents and injury in the workplace is well known but difficult to quantify because organisations are not good at linking their health and safety initiatives with outcomes such as length and cost of workers compensation claims and numbers of claims in particular injury categories. As we get better at evaluating results, this link will become clearer. In the meantime we encourage you to strive to develop and maintain healthy and safe workplaces.

## 6.2 USEFUL CONTACTS

### ACT OHS Commissioner

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### Australian Standards Website

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[worksafety.act.gov.au](http://worksafety.act.gov.au)