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## **0 SHOWING CONFORMANCE**

### **0.1 Options**

- 0.1.1 There are four options to demonstrate conformance when applying this system procedure:
- Follow the defined system procedure using the recommended guidance and tools, including allowed variations and options.
  - Use an equivalent process and tool set generated elsewhere and document evidence of procedural equivalence.
  - Use a bespoke process and tool set for the project and document how the bespoke procedure achieves the objectives defined for this system procedure.
  - Where the procedure is considered to be not relevant, document the basis for this decision.

## **1 INTRODUCTION**

- 1.1.1 **Risk Acceptance** is defined Def Stan 00-56 Issue 4 as:

“The systematic process by which relevant stakeholders agree that risk may be accepted.”

- 1.1.2 **Risk Acceptance** is the final stage in risk management. Once risks have been assessed against requirements (Procedure SMP07 – Risk and ALARP Evaluation) and reduced where necessary (Procedure SMP08 – Risk Reduction), it is necessary to agree that sufficient evidence has been provided that the tolerability/ALARP criteria have been met.

- 1.1.3 There must be review at appropriate management level of each individual risk (and the aggregated risk for the system) before the Safety Case Report is finalised for major milestones. Completion of this procedure is a prerequisite for acceptance and signature of the Safety Case Report by the IPT Leader.

- 1.1.4 **Risk Acceptance** will occur only when there are positive answers the questions:

“Have we done all that is Reasonably Practicable to reduce the level of Safety Risk posed by the identified Accidents, individually and in total?”

and

“Are they now Broadly Acceptable or Tolerable and As Low As Reasonably Practicable?”

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<b>2</b>	<b>PROCEDURE OBJECTIVES</b>
2.1.1	The objective of Risk Acceptance is to ensure that every risk has been reviewed at appropriate management level prior to authorisation of the Safety Case Report by the IPT Leader. (Note “authorised” is used in accordance with the definitions in SMP12 – Safety Case and Case Report).
<b>3</b>	<b>RESPONSIBILITIES</b>
<b>3.1</b>	<b>Accountability</b>
3.1.1	The IPTL is accountable for the completion of this procedure.
<b>3.2</b>	<b>Procedure Management</b>
3.2.1	The IPTL may delegate the management of this procedure to a member (Safety Manager) or members of the IPT.
<b>3.3</b>	<b>Procedure Completion</b>
3.3.1	The Project Safety Manager and PSC will be responsible for the completion of the procedure. However, in most cases a large part of the detailed evidence will be provided by contractors. The Project Safety Manager is responsible for approving this work as carried out to appropriate levels of detail, accuracy and completeness.
3.3.2	The IPT Leader is responsible for formally documenting the acceptance of the residual risk of the system by the appropriate authority. The IPT Leader should ensure that this residual risk and the associated hazards are updated to reflect changes/modifications in the system or its use. The IPT Leader and PSC should jointly determine the updated residual risk prior to acceptance of the risk and system hazards.
<b>4</b>	<b>WHEN</b>
<b>4.1</b>	<b>Production</b>
4.1.1	Risk Acceptance is an ongoing process by which all the individual risks in the Hazard Log are reviewed at appropriate management level where claims of tolerability and ALARP are to be made.
<b>4.2</b>	<b>Review, Development and Acceptance</b>
4.2.1	Each major update shall be endorsed by the Safety Panel, authorised by the Project Safety Manager and accepted by the IPT Leader.
4.2.2	If the evidence supporting Risk Acceptance is updated, management measures should ensure that the Hazard Log, Safety Case Report and other dependent activities are also updated.

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## **5 REQUIRED INPUTS**

5.1.1 This procedure for Risk Acceptance requires inputs from:

- a. Outputs from Procedure SMP03 – Safety Planning;
- b. Outputs from Procedure SMP04 – Preliminary Hazard Identification and Analysis;
- c. Outputs from Procedure SMP11 –Hazard Log;
- d. Outputs from Procedure SMP12 –Safety Case and Safety Case Report;
- e. Outputs from Procedure SMP05 –Hazard Identification and Analysis;
- f. Outputs from Procedure SMP06 –Risk Estimation;
- g. Outputs from Procedure SMP07 –Risk and ALARP Evaluation;
- h. Outputs from Procedure SMP08 –Risk Reduction.

5.1.2 The Risk Acceptance process and timing appropriate to the project will be defined in the Project Safety Management Plan, if necessary with reference to the Contractor's Safety Management Plan.

5.1.3 The Risk Acceptance may use the following reference inputs, as available:

- a. Hazard Log;
- b. Risk Evaluations;
- c. Detailed evidence supporting the Risk Evaluations;
- d. ALARP justifications;
- e. ISA Report(s)
- f. Safety Requirements in SRD and Contractual Documents.

## **6 REQUIRED OUTPUTS**

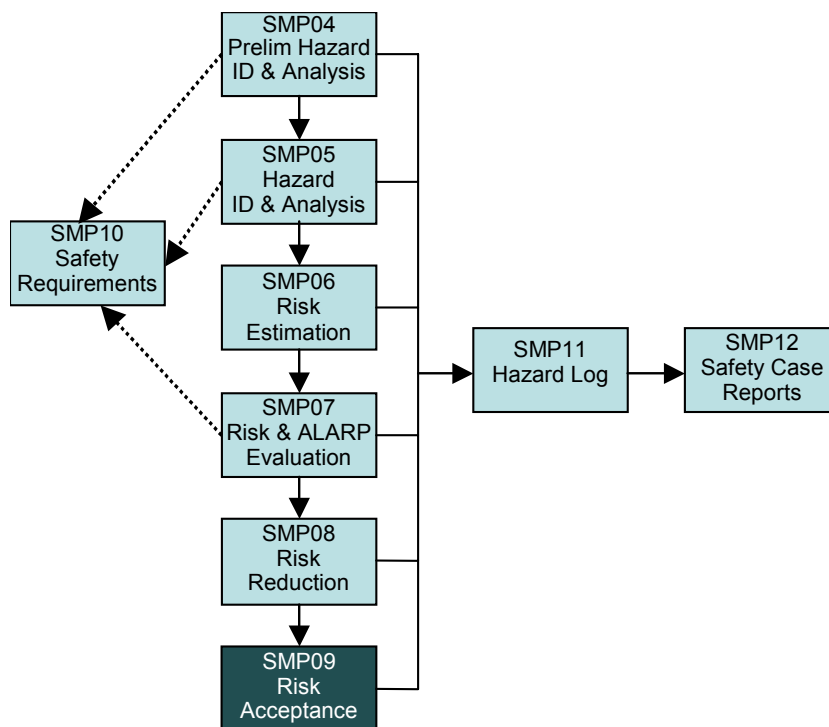
6.1.1 The primary output of the Risk Acceptance is the endorsement at appropriate management level of the evidence of tolerability and ALARP for each Accident recorded in the Hazard Log.

## **7 DESCRIPTION**

7.1.1 The diagram overleaf shows how Risk Acceptance relates to other elements of Risk Management in the Safety Management System.

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7.1.2 Risk Acceptance takes place after completion of Risk and ALARP Evaluation and Risk Reduction and prior to authorisation of the Safety Case Report by the IPT Leader. However, if some of the risks cannot be accepted, then there may be a need to re-enter the Risk Reduction cycle.

## 7.2 Method

7.2.1 Individual risks, and the overall risk posed by the system, may be accepted when the PSC and Project Safety Manager agree that sufficient evidence has been provided that the tolerability criteria have been met.

7.2.2 The Project Safety Manager shall agree with the Stakeholders a process for Risk Acceptance. The process should ensure that the detailed evidence produced by the contractor is aligned against the hazards listed in the Hazard Log in a way that supports visibility and review by the appropriate management level according to risk category.

7.2.3 There are defined processes for acceptance of risks within each domain (ie ship key hazards, airworthiness, OME, etc) which must be followed for these risks, even if the project as a whole is primarily in a different domain.

## 8 RECORDS AND PROJECT DOCUMENTATION

8.1.1 Where relevant, the outputs from this procedure should feed into the following:

- a. SRD (System Requirements Document) – for any specific Safety requirements;

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	<ul style="list-style-type: none"> <li>b. CSA (Customer Supplier Agreement) – to document agreements on Safety information to be delivered by the IPT;</li> <li>c. TLMP (Through Life Management Plan);</li> <li>d. Safety elements of Initial Gate and Main Gate submissions.</li> </ul>
8.1.2	Risk Acceptance will be documented through the Hazard Log and Safety Case Report.

## **9 RECOMMENDED TOOLS AND FORMS**

9.1.1	The process of Risk Acceptance is one of review and, as such, has no specific tools, although the input and output for the review will both be in the Hazard Log.
9.1.2	Guidance Sheet SMP09/G/01 - Management Level for Acceptance of Risk, provides an example Table showing the management level at which Accidents of different risk significance can be endorsed.

## **10 GUIDANCE**

10.1.1	The process for risk acceptance should address how the sufficiency and adequacy of the evidence will be demonstrated. Agreement that the Tolerability Criteria have been met, and that the risk has been reduced to a level that is ALARP, will be the minimum requirement. The agreement is between the Contractor, the Project Safety Manager and the Safety Panel, but, in many cases both parties will need to take due cognisance of outside bodies eg regulatory/certification bodies and users.
10.1.2	The process for risk acceptance should be agreed at an early stage in the project and should be included in the Safety Plan. Discussions should involve the Contractor's, and the MOD's, safety advisors; the Safety Panel; and representatives from any regulatory/certification bodies.
10.1.3	In practice Risk Acceptance may be an ongoing process as individual Hazards are resolved and evidence of this becomes available. This obviously reduces the risks to timescale and the peak workload on the Safety Panel. However care must be then taken to ensure that later changes and modifications do not invalidate previous Risk Acceptance. This requires effective change control and visibility of the impact of changes on hazards.

### **10.2 Domain-Specific Guidance and References**

10.2.1	Additional guidance on Risk Acceptance is contained in the following references:
a.	Land Systems: JSP 454 Part 2:
i.	Annex D – Compliance with Legislation: In the Land Systems Sector Projects are required to complete a Compliance Table to demonstrate in a traceable way that the solution complies with all relevant Legislative

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	requirements.
	ii. Appendix 1 to Annex D – Legislation Compliance Table
b.	Ship Safety Management: JSP 430 Issue 3:
c.	Airworthiness: JSP 553 1st Edition:
	i. Annex P Safety Management System (P 10) contains reference to residual risk acceptance
d.	Ordnance, Munitions & Explosives (OME): JSP 520 Issue 2.0:
<b>10.3</b>	<b>Guidance for Different Acquisition Strategies</b>
10.3.1	The requirements for Risk Acceptance do not change for Acquisition conducted through intergovernmental agreements, OCCAR, multilateral or collaborative programmes. It is MOD policy that the same standards are met, and that assurance that these standards have been met can be demonstrated.
<b>10.4</b>	<b>Project Risks</b>
10.4.1	Acceptance of risks on an ALARP basis must not be justified on the basis of project budget limitations.
10.4.2	As in all safety matters, failure to get agreement on key issues affecting the Acceptance Process at an early stage in the life cycle will often lead to problems in cost and time terms.
10.4.3	Safety Committees must resist any inclination to indulge in ever more complex calculations and analysis, which cannot be justified on time and cost grounds.
10.4.4	Risk Acceptance should not be achieved if there are significant shortcomings in the previous Risk Management activities. The Project Risks identified against Procedures SMP05 to SMP08 can result in inability to achieve Risk Acceptance.

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