# Company Verification, Evaluation and Review

* **Purpose** To detail company processes to verify the functionality of the HSQE System and for review and evaluation of its content and implementation
* **Application** All Offices  
   All Vessels
* **Responsibility** Office Managers   
   Shipboard Management Team

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| **In This Document** | |
|  | **Verification**  **Evaluation**  **Review** |

## Verification

The objective of verification is to confirm that an activity, a service or a product is in accordance with specified requirements.

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| * Verification is carried out on jobs and processes indicated in the HSQE Management System Manuals. |
| * Routines and intervals are specified in controlled Master lists, Forms, and/or in the ShipNet database. |
| * The verification process allows for an independent review and check of selected parts, records and systems. |
| * Verification also confirms HSQE implementation throughout the organisation. |

### Periodic Audits and Inspections

The HSQE Department is responsible to ensure verification audits are planned and implemented. Audits are conducted through interviews, spot checks of practices and checking of records and identify the existence of any non-conformance or deficiency.

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| * The ShipNet database is used to report, record, and monitor audit findings |
| * During vessel audits, applicable items listed in the OCIMF Vessel Inspection Questionnaire are to be checked , verified and recorded in the audit report in ShipNet |
| * Tanker Management Teams are required to complete the VIQ checklist before the audit for verification |
| * Additional Navigational Audits are to be completed by Masters and Marine Superintendents |
| * The company arranges independent 3rd party auditors for random navigational reviews across the fleet every 24 months |
| * At least twice yearly, Technical Superintendents and/or Managers are to review and audit progress of action plans for “Technical Inspections” during ship visits and recorded in the ShipNet Database |
| * Audit checklists prepared by the company covering HSQE requirements and industry standards will be used to guide audits as a reference. |
| * Audit reports are required to be submitted via ShipNet within 5 working days of completion |
| * During the annual internal HSQE Audits, a copy of the previous annual audit is to be used to verify the following audit minimum criteria |
| * Knowledge and compliance with company policy |
| * Validity of controlled HSQE documentation |
| * Validity of statutory certificates |
| * HSQE procedural compliance |
| * Compliance with drill and exercise schedules |
| * Close out of findings from previous audit and incident reports |
| * Vessel specific systems where possible |
| * OCIMF VIQ Compliance |
| * Progress of corrective action plans for maintenance and defects |

### Audit Planning

The HSQE department will monitor and arrange annual audits of all offices and vessels. Audits may not be undertaken by any person with direct responsibility for the area being audited

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| * Internal Audits |
| * Due on 12 month Interval. |
| * Planned due dates are based upon the previous audit |
| * Non-conformities may be captured in the HSQE Module as line items included in an audit findings but identified as an NC |
| * Observations may be recorded for concerns identified that are unclear non-conformances, or for items disregarded may become a non-conformance subsequently |
| * The audited vessel or department must be informed on the finalisation of an audit; acknowledged to confirm via ShipNet, within 5 working days. The default due date for all findings, NCs and Observations is 90 days. |
| * The scope of internal audits is to be indicated in ShipNet and should include HSQE, ISM, ISO 9001 and14001, OHSAS 18001, MLC, and ISPS |
| * Auditors are responsible to ensure required corrections and preventions are understood, and entered in ShipNet. |
| * Auditors are responsible to monitor each audit performed and ensure close-out is effected within due dates. |
| * Auditors are responsible to use the company audit checklist as a guide, and record all findings in ShipNet. |
| * Security audits are confidential; only the Company Security Officer (CSO), Ship Security Officer (SSO) or authorised Recognised Organisation (RO) may have access. |
| * External Audits |
| * Certification audits will be carried out in accordance with requirements of the ISM Code, ISPS Code, ISO 9001, ISO 14001, and OHSAS 18001 by a Recognised Organisation. |
| * Audits will be requested to be conducted concurrently wherever possible |
| * Commercial Audits are conducted by major oil companies to measure conformity with the Tanker Managers Self-Assessment and on board compliance with the requirements listed in the OCIMF VIQ |
| * The HSQE Department is responsible for requesting and scheduling external audits |
| * General audits include: |
| * Opening meetings to introduce the audit team, summarise conduct of the audit, confirm all agreed persons/records availability, confirm time and date for the closing meeting and other clarifications |
| * A review of the “audit trail” from previous audit findings to verify close-out |
| * No condition exists that would jeopardise the safety and watertight integrity of the ship |
| * A closing meeting before preparing the report, presentation of the results, observations, findings and any final adjustment. |
| * The closing meeting is also the time to diplomatically resolve any disagreement in findings. |
| * Vendor Audits |

Vendor audits are conducted annually on suppliers and services that do not have ISO 9001 Certification.

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| * ShipNet Database |
| * Audits, Incidents and Near Miss Reports, inspections, feedback, and management of change, complaints, suggestions, directives and alerts (and other similar reports) are populated in the ShipNet Database. |
| * All data fields and any attachment to be completed and indicated by the originator. |
| * The monitoring of follow-up, completion and close-out is the responsibility of the department head and ultimately the Master. |
| * The Technical Superintendent is responsible to ensure all pending reports are closed within the due date. |
| * The PMS Superintendent is responsible for monitoring overdue items and alerting the DPA if any item is open more than 90 days. |
| * Complete Coding of each ShipNet report is essential for effective analysis of data and is the responsibility of the originator. |
| * Any extension of over-due items must be approved by the Superintendent (for PMS / Technical Reports) or the DPA (for HSQE items) |
| * Technical superintendent inspection reports are considered "Work-Lists". Monitoring completion of assigned work-list items is the responsibility of the Technical Superintendent. |
| * Non-conformities may be captured in the HSQE Module of ShipNet separately, or as line items included in an audit. |

### Identification and Control of Faults and Non-Conformance

A non-conformity report [NCR] may be issued when a non-fulfillment of a requirement of the HSQE System or statutory regulation is identified. The ShipNet computerised Non-Conformity Reporting System will be the primary tool with which NCRs are issued, monitored and recorded.

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| * Permanent corrective actions are required within 90 days of the NCR date of issue or shorter. |
| * DPA may extend the due date where extenuating circumstances exist. |
| * Status and completion is monitored and verified by the HSQE Department via ShipNet |
| * The process of identification, controlling and reporting faults and NCRs is depicted in Figure 5-1 |
| * Significant safety deficiencies that cannot be rectified are immediately reported to the Superintendent and DPA |
| * Closure of audit findings are verified during the subsequent HSQE Internal Audit |

### Suggestions, Complaints and Grievance

Suggestions, complaints, and grievances may be submitted to the company in ShipNet.

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| * ShipNet entries are to be coded according to the importance and satisfaction levels; Anonymous Reports may be submitted to the DPA by private email: [1safeman@gmail.com](mailto:1safeman@gmail.com) |

**Figure 5-1 Identification and Control of Faults and Non-Conformities**

DECLARE CONDITION TO PSC AUTHORITIES PRIOR ARRIVALNEXT PORT “OR” CORRECT PRIOR TO SAILING

**EQUIPMENT OR PROCEDURAL FAILURE OCCURS**

SUBMIT NON-CONFORMANCE REPORT

IS PSC NOTIFICATION REQUIRED?

IS THE CONDITION IS A MAJOR NC, AFFECTING SEAWORTHINESS, OR PRESENT SIGNIFICANT FIRE, FLOODING, LSA OR FFA, AUXILLIARY POWER, OR MARPOL EQUIPMENT LIMITATIONS OR HAZARDS?

IS IT CRITICAL EQUIPMENT OR MAJOR NC

FOR MINOR NC DUE DATE NO MORE THAN 90 DAYS

IS THERE A FAILURE TO COMPLY WITH A SPECIFIC REQUIREMENT OF THE HSQE SYSTEM OR STATUTORY REQUIREMENT?

ENTER SPECIFIC REFERENCE TO VOLUME, CHAPTER, AND PARAGRAPH OF APPLICABLE REQUIREMENT

OTHER DEFECT, DEFICIENCY, OR OBSERVATION

TAKE CORRECTIVE ACTION AND CLOSE NCRREPORT

ADD TO FORWARD MAINTENANCE PLAN OR ENTER ITEM IN SHIPNET SYSTEM AS A BREAKDOWN OR HSQE EVENT

INITIATE CLASS NOTIFICATION VIA SUPERINTENDENT

CONDUCT RISK ASSESSMENT AND EFFECT INTERIM REPAIRS OR APPLY ADDITIONAL

HAZARD CONTROLS

EXTENSION POSSIBLE VIA DPA UNDER EXTENUATING CIRCUMSTANCES

**YES**

SeaTeam operates under an International Safety Management (ISM Code) Document of Compliance (DOC) valid for all the types of ships and flags managed by the company.

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| * The DOC is issued by the relevant flag administration to certify the company's HSQE SYSTEM is approved and has fulfilled the safety management requirements of the ISM Code. |
| * Every ship operated is issued a Safety Management Certificate (SMC) in verification that required safety management procedures have been implemented and accordance with ISM Code requirements. |
| * The company's HSQE System has been developed to comply with ISO 9001, ISO 14001, and OHSAS 18001 certified by an accredited certification society. |
| * The company operates it's vessels in compliance with the International Ship and Port Facility Security Code (ISPS Code). Every ship is issued an International Ship Security Certificate (ISSC) to certify that all required security measures have been implemented in accordance with the ISPS Code requirements |

## Evaluation

### Incidents, Accidents and Hazardous Occurrences

The company utilises the ShipNet database to analyse and evaluate incidents and hazardous ("near miss") occurrences for causation and trend modeling.

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| * Master is responsible for the accuracy of required entities and gathering associated evidence and documentation |
| * Safety Officer is to assist the Master in on board investigation and initial report production. |
| * HSQE Department is responsible for evaluating, accepting or correcting and analysing investigation reports |
| * Lessons learnt are to be shared throughout the organisation and industry partners |

### Corrective and Preventive Action

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| * Corrective and Recurrence Preventive measures are evaluated for effectiveness and for implementation: |
| * For emergency or safety related items; if immediate rectification cannot be effected, a risk assessment is to be completed to establish equivalent temporary controls |
| * Within the stipulated closure date, unless specifically extended by the DPA |
| * Reviewed as a standard agenda item Management Team Meetings |
| * Distributed throughout the organisation in conjunction with non-conformity report (NCR) summaries on a quarterly basis |
| * Primary findings of significant events are to be flashed to the fleet within 48 hours of occurrence |

### Analysis of Incidents, Accidents, and Audits/Non-Conformities

HSQE Department will lead the process of analysis of Incidents, Accidents, and Audits/Non-Conformance's. The object of analysis to be determine:

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| * Root Causes (HSQE System Failures), Basic Causes (contributing factors) and Immediate Causes (Exact Failures) |
| * Methods to prevent recurrence |
| * Need for amendment or improvement to the HSQE system |
| * Adequacy of Immediate, short term, and long term corrective and preventative actions |
| * Trends that may indicate systemic breakdowns |
| * ShipNet Database to be the primary tool utilised for analysis of reports |

## Review

Top management critically reviews the company's HSQE Management System according to ISM Code, ISPS Code, TMSA, ISO 9001, ISO 14001 and OHSAS 18001 stipulations.

### Management Review

The review focuses on monitoring achievement of objectives and targets, customer satisfaction, occupational health, safety and environmental protection. The management will consider in conjunction with the review:

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| * Suggestions, feedback, comments, and complaints |
| * The content of Masters' annual System Reviews |
| * Summary of Incidents and Non-Conformities |
| * Vessel Maintenance and PMS System status |
| * Achievement of improvement objectives and targets |
| * HSQE and Security aspects |
| * The status of pending action items |
| * Status of measures decided in the previous Management review |
| * Status of HSQE documentation and policies Pending legal issues, statutory rules and regulations |
| * Performance against Industry bench-marks Impact of Changes approved through Management of Change processes to confirm objectives have been met |
| * Crew selection and recruitment processes complying with the company policy , procedures and future needs |
| * Review Master-List 009 Critical Equipment Risk Assessment for continued relevance and applicability (annually) |

A consolidated Management Review Report will be prepared by the HSQE Department. Weak points will be identified while targets, objectives, and strategies amended appropriately to achieve the 5 year HSQE Plan.

### Master’s Annual System Review

Masters are required to review and report on the effectiveness of the HSQE System and make suggestions for improvement. The content will be used to improve the HSQE System.

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| * Master's System Reviews are due annually, with the initial review due before the vessels initial SMC audit. |
| * Masters may review hand-over notes from the previous year and include any issues or suggestions for improvement |
| * Masters reviews are to be entered in the ShipNet database in the Feedback Module. |
| * Each comment must have a separate finding created and coded |
| * Masters Review Form 001 may be used by vessels without ShipNet installed |
| * Annually, the Masters review should cover: |
| * + - HSQE System Documentation |
| * + - Documentation other the HSQE System |
| * + - If Officers are conversant with the HSQE System? |
| * + - If crew is adequately aware of the HSQE System? |
| * + - Status of vessel’s trading certificates |
| * + - Any recommendations by classification society, flag state or port states, which are unsettled? |
| * + - If non-conformities, accidents, serious incidents, hazardous occurrences, near misses and deficiencies been reported to the company and within targets? |
| * + - If any corrective actions resulting from audits or deficiency reports pending? |
| * + - Status of PMDS / maintenance plan? |
| * + - Status of training plan HSQE 021? |
| * + - Status of onboard familiarisation |
| * + - If there are any suggestions for improvement of the HSQE System? |
| * + - Focal points to improve the implementation of the HSQE System? |
| * + - If the Environmental Management System is implemented? |
| * + - If the is crew properly qualified and trained? |
| * + - General condition of the vessel? |
| * + - Implementation of the HSQE System and effectiveness of the procedures therein? |

### Legal Review

Management will review, identify and update legislation and statutory rules that apply to its operations.

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| * Company managers are to review legal to ensure company operations comply with the latest rules and to highlight any change to existing regulations |

### Performance Measurement, Analysis and Improvement

The company's performance is evaluated through bench-marking certain key performance indicators to industry averages and company established targets.

### Benchmarking

The following sources will be used as performance comparative benchmarks across the fleet and against the oil/marine industry as a whole:

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| * INTERTANKO TMSA Industry Average |
| * Intertanko LTIF/TRCF and Crew Retention Averages |
| * Informal Tanker Safety Forum Statistics |

### Key Performance Indicators

Key Performance Indicators (KPIs) are comprised of certain industry standard performance statistics used by ship management companies to benchmark performance so that management may target remedial actions. The following categories are monitored during quarterly management reviews:

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| * Incident and accident ratios |
| * Lost Time Injury Frequency |
| * Near Miss Reporting |
| * Staff Retention |
| * Medical Repatriations |
| * Overdue Planned Maintenance |
| * Vetting Inspections |
| * Negative Media |
| * Port State Control Inspections/detentions |
| * Unscheduled technical off-hire |
| * Budget performance |

Key Performance Indicators (KPIs) are tabulated quarterly and distributed to senior management in conjunction with the management review report.

### Continuous Improvement

Improvement is achieved by comparing statistics and amending objectives, targets and strategies to achieve improved results in the areas specified in the company 5 year HSQE Improvement Plan.

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| * The 5 Year HSQE Improvement Plan will address HSQE Aspects which the senior management has determined to be significant as well as other identified areas where progress is achievable |

### Environmental Aspects

SeaTeam evaluates Environmental Aspects based upon their Significance where activities ashore and on board company vessels are considered.

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| * Aspects to be included in the 5 year HSQE Improvement Plan are those which the Company can be reasonably expected to influence within the scope of the HSQE Management processes. |

Documentation and Filing

* Quarterly Management Review and Associated Documentation
  + - HSQE File
    - Notice Board for current quarter
* Certifications
  + - HSQE Files
    - Prominently Posted or electronic

Distribution

* All Offices
* All Vessels

References

* ISM Code
* ISO 9001
* OCIMF TMSA
* ISO 14001
* OHSAS 18001
* MLC 2006