

QHSE AUDIT

SBG O&M SAFETY DEPARTMENT

AGENDA

- Team introduction
- Background
- Terms of Reference for the Audit
- Audit methodology
- Reporting
- Schedule

EVERY SBG O&M PROJECT SITE:

- has a systematic approach to HSE management, designed to ensure compliance with the law and to achieve continuous performance improvement;
- sets targets for improvement and measures, appraises and reports on performance;
- requires contractors to manage HSE in line with this policy;
- requires joint ventures under its operational control to apply this policy, and uses its influence to promote it in its other ventures;
- includes HSE performance in the appraisal of all staff and rewards accordingly.

HSE PERFORMANCE

- “There must always be a gap between ... aspirations and performance ... But a gap between policy and performance is unacceptable”

TERMS OF REFERENCE

- Objective

To appraise the quality and completeness of the HSE MS and the adequacy and effectiveness of its implementation

- Scope

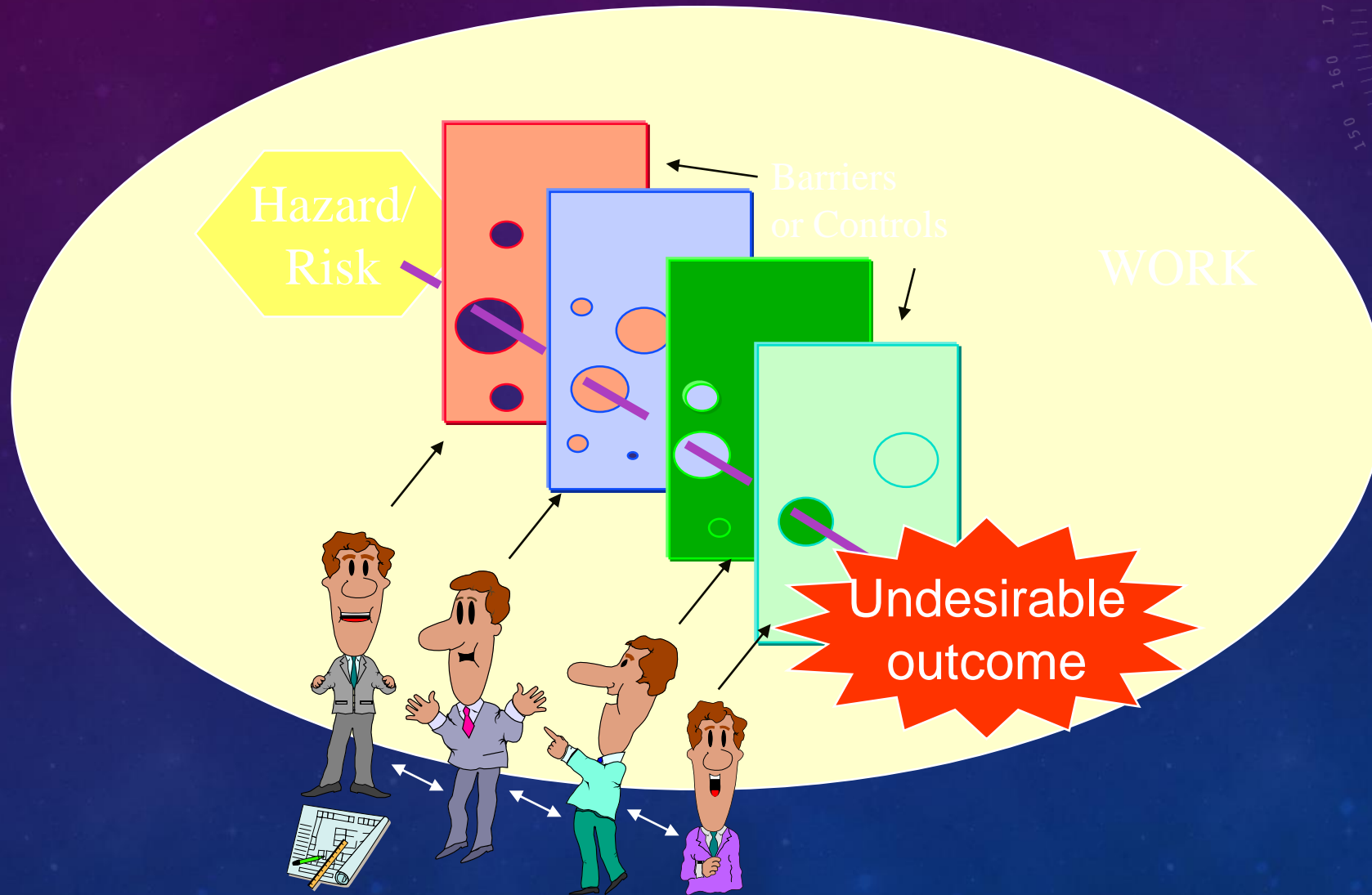
HSE MS implementation activities for all SBG O&M Projects, and their clients.
Special attention will be given to:

- Adherence to Group and Company HSE policies
- Adherence to Group Minimum Environmental Expectations
- Processes for the identification of HSE-related legislative requirements, their dissemination, and for confirming adherence to them

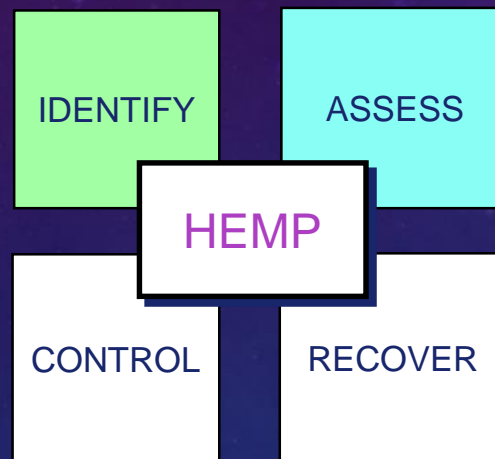
AUDIT SCOPE

- Scope continued
- Identification of roles, responsibilities and competency requirements for HSE critical activities
- Implementation of HSE training programmes to close competency gaps for those carrying out of HSE critical activities
- Effectiveness in HSE data and document management and HSE performance monitoring
- Availability and effectiveness procedures for the identification, assessment and control of all significant hazards and effects including the demonstration of ALARP
- Adequacy of emergency response and contingency plans
- Confirmation that findings from audits, inspections and incident investigations have been satisfactorily addressed
- Adequacy of the process for preparation and validation of the HSE Annual Letter

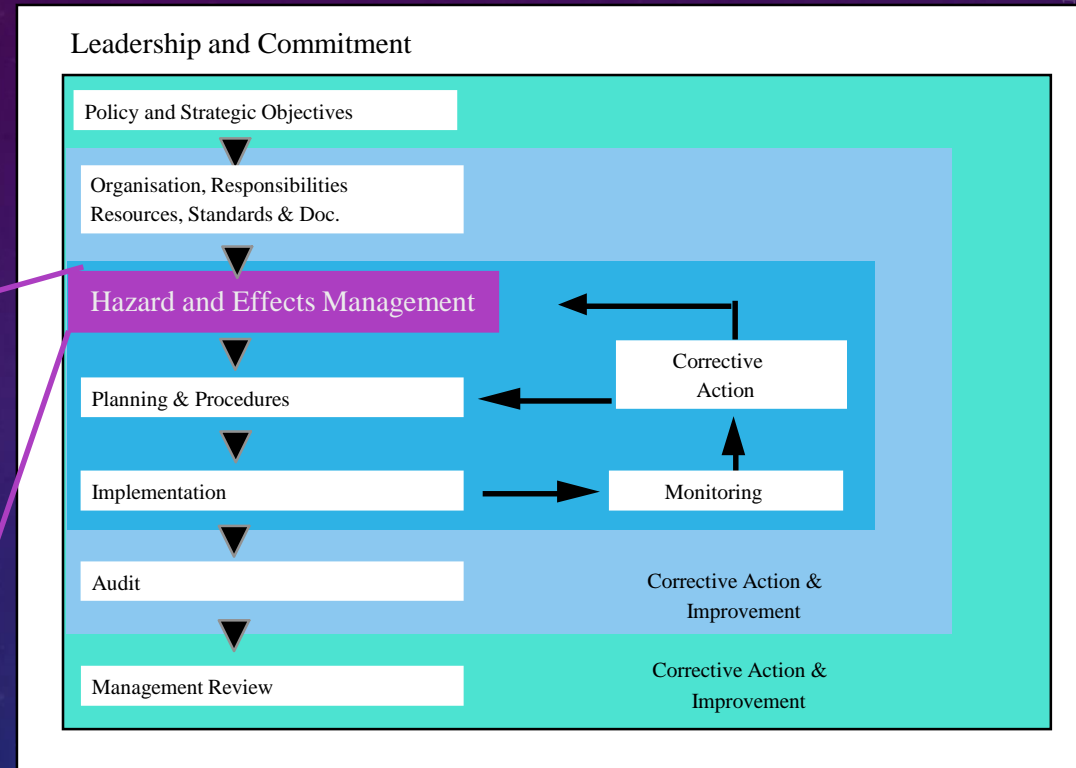
HSE MANAGEMENT



HEMP

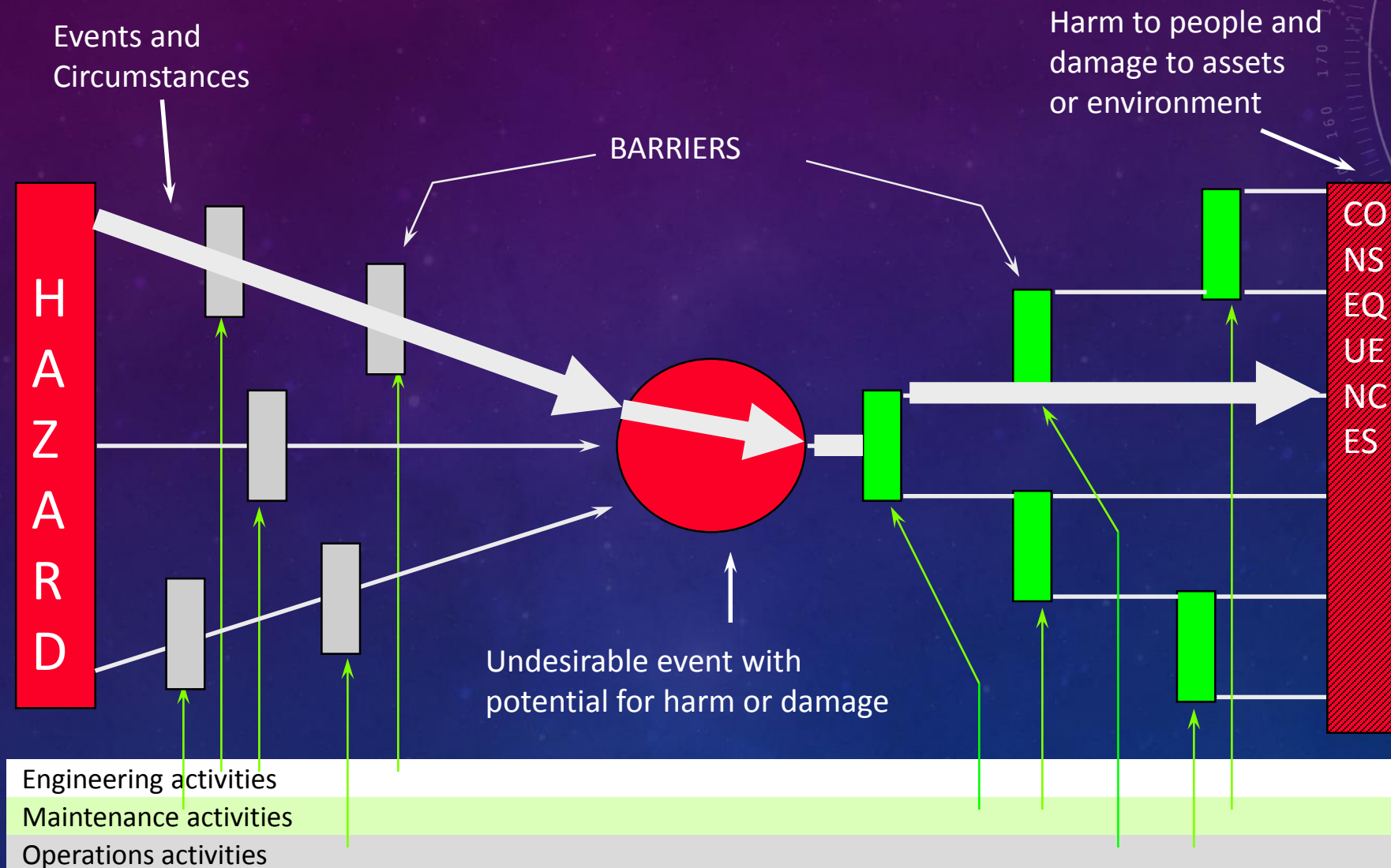


Hazard and Effects
Management Process



HSE Management System

Audit Focus



CLASSIFICATION OF FINDINGS

1. Category:

- People (P); Assets (A); Environment (E); or Reputation (R)

2. Severity level (from Weakness Classification Matrix):

- Serious (S); High (H); Medium (M); or Low (L)

3. Each Finding is assigned to one HSE MS element

4. A Finding is accompanied by the Significance and one or more recommendations to address the gap

Weakness Classification Matrix

Severity	People	Assets	Environ- ment	Repu- tation	A	B	C	D	E
					Never heard of in EP industry	Has occurred in EP industry	Has occurred in the audited OU	Happens several times a year in the audited OU	Happens several times a year in the audited facility
0	No injury	No damage	No effect	No impact	Low				
1	Slight injury	Slight damage	Slight effect	Slight impact					
2	Minor injury	Minor damage	Minor effect	Minor impact	Medium		High		
3	Major injury	Local damage	Localised effect	Consider- able impact					
4	Single fatality	Major damage	Major effect	National impact	High		Serious		
5	Multiple fatalities	Extensive damage	Massive effect	Inter- national impact					

Serious: Exposes OU to a major extent in terms of achievement of corporate HSE objectives or results.

High: Though not serious, essential to be brought to Management attention. Includes medium weaknesses as repeat from previous reports.

Medium: Could result in perceptible and undesirable effect on achievement of HSE objectives.

Low: No major HSE impact at process level, correction will assure greater effectiveness/efficiency in process concerned.

AUDIT ASSESSMENT

Good

Level of concern: Specific

No follow-up required by auditee's function head

Fair

Level of concern: Overall scope for enhancement

In addition to following up correction of any High or Medium weaknesses the function head should encourage general improvement in controls awareness

HSE MS Self Assessment Questionnaire

		Results levels achieved		
	Date			
Leadership and Commitment				
Visibility				
Proactive in target setting				
Informed Involvement				
Policy and Strategic Objectives				
Content				
Dissemination				
Strategic Objectives				
Organisation, Responsibilities, Resources, Standards and Doc.				
Roles & Responsibilities				
HSE Advisors				
Resourcing				
Competency Assurance				
Contractors				
Communication				
Documentation – HSE MS Manual				
Documentation – HSE Cases				
Hazards & Effects Management				
Identification				
Assessment				
Controls and Ownership				
Performance in Maintaining Controls				
Recovery				
Recording				
Planning & Procedures				
HSE Plan				
Asset Integrity				
Procedure & Work Instructions				
Contingency Planning & External Planning				
Implementation & Monitoring				
Performance Monitoring				
Records				
Non-Compliance & Corrective Action				
Incident Reporting Follow-up				
Change Control				
Audit				
Audit Plan				
Competency				
Contractor				
Review				
Review				

HSE-MS SUB ELEMENT ASSESSMENT

- 4 System sustained and supported by an ongoing improvement process and essentially all elements satisfied.
- 3 System functioning and being verified, results being measured, key system procedures documented.
- 2 System is documented, approved, resourced and being implemented with priority objectives satisfied and the majority of objectives being met.
- 1 System is under development and partially implemented.

EP-HSE Audit Method

- Audit of HSE MS, fully covering H, S and E
- Sampling Process
- Questionnaire based

Structure of Questionnaires

Generic Questionnaire (common to all HSE Audits)

- Leadership & Commitment
- Policy & Strategic Objectives
- Organisation, Responsibilities, Resources, Contractor Management. Communications, HSE-MS Documentation, Standards & Change Control
- Hazards and Effects Management
- Planning & Procedures
- Implementation & Monitoring
- Audit
- Management Review

Subsidiary
Questionnaire

Welfare

Subsidiary
Questionnaire

Occupational

Subsidiary
Questionnaire

Operations

Subsidiary
Questionnaire

Maintenance

Subsidiary
Questionnaire

Environment

Subsidiary
Questionnaire

Health

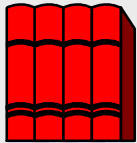
AUDIT PROCESS

Familiarisation

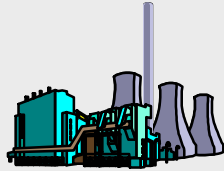


- Terms of reference
- Audit programme

Review & Testing



Study
Documentation



Site visit



Interviews



Test findings

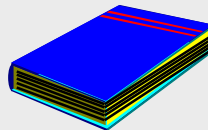
Reporting



Drafting



Editing



Report
Finalisation



Agree findings



Present
Findings

REPORT INDEX

- 1 Introduction
- 2 Executive Summary
 - Audit opinion and justification
 - HSE MS element summary
- 3 Audit Findings and Recommendations
 - HSE Management System (Tables)
 - Subsection for each of HSE-MS sub elements

Appendices

- Definitions of Audit opinion and classification
- Classified recommended actions
- Terms of Reference
- Abbreviations
- HSE MS sub element assessment