

Work Health and Safety standards for self- insured employers

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Disclaimer

This publication is:

- For use by ReturnToWorkSA in assessing performance against some of the requirements of registration as a self-insured employer.
- A reference document for self-insured employers, or employers considering an application for registration as a self-insured employer.
- Not intended as a substitute for the requirements of the *Work Health and Safety Act 2012* or the Code of conduct for self-insured employers, and.
- Information produced by Return to Work Corporation of South Australia in this publication is provided as general information only. In utilising this general information, the specific issues relevant to your workplace should always be considered.

Contents

Part 1: Introduction.....	ii
Part 2: Standards.....	iii
Overview of the WHS Performance Standards.....	iii
Objectives of the standards.....	iii
Consultation.....	iv
Standard 1 – Commitment and policy.....	6
Element 1 Endorsed and distributed policy statement.....	6
Element 2 Supporting policies and/or procedures.....	6
Standard 2 – Planning.....	7
Element 1 System strategies.....	7
Element 2 Setting of systems objectives.....	7
Element 3 Training.....	7
Standard 3 – Implementation.....	8
Element 1 Resources.....	8
Element 2 Training.....	8
Element 3 Responsibility and accountability.....	8
Element 4 Integration.....	8
Element 5 Employee involvement.....	8
Element 6 Communication.....	8
Element 7 Contingency planning.....	8
Element 8 Hazard identification, evaluation and control.....	9
Element 9 Workplace monitoring.....	9
Element 10 Process delivery.....	9
Element 11 Reporting/documentation.....	9
Element 12 Documentation control.....	9
Standard 4 – Measurement and evaluation.....	10
Element 1 Objectives, targets and performance indicators.....	10
Element 2 Internal audits.....	10
Element 3 Corrective action.....	10
Standard 5 – Management systems review and improvement.....	11
Element 1 Policy.....	11
Element 2 Objectives, targets and performance indicators.....	11
Element 3 System review.....	11

WHS Performance standards for self-insured employers

Part 1: Introduction

The performance standards and evaluation process are means to an end. The clear focus is on outcomes, with the standards as the means of achieving the intended outcomes.

These standards are one component of the requirements that self-insured employers must meet in South Australia. They must be read in conjunction with other administrative and legislative requirements, including the Code of conduct for self-insured employers (the Code), the Return to Work Act 2014 (RTWA), and the requirements of the Third schedule to the Regulations.

The primary *objective* for ReturnToWorkSA is to provide an effective and efficient system that helps employers and employees work together to get the best results in health, safety, return to work and claims management and to achieve *continuous improvement* in these disciplines.

The standards are designed to address:

- the integration of WHS into mainstream management systems for self-insured employers;
- consultation and joint employer and employee involvement;
- a system capable of ensuring that employers meet their duty of care under the WHS legislation;
- compliance with the Work Health and Safety Act 2012 (SA) the development of systems that measure outcomes; and
- Continuous improvement.

The performance standards are consistent with the Australian/New Zealand Standard 4804: 2001, Occupational Health, and Safety Management Systems – General Guidelines on Principles, Systems, and Supporting Techniques.

A business management systems structure clearly designates overall responsibility for WHS to senior management of the *organisation*.

It should be noted that compliance with the performance standards is only one of a number of matters that ReturnToWorkSA will consider as part of the evaluation process associated with initial applications and renewal of self-insured registration. Details of the full range of requirements are contained in the Code, which is available from ReturnToWorkSA's website, www.rtwsa.com.

Part 2: Standards

Overview of the WHS Performance Standards

The performance standards apply to all self-insured *organisations*. They will be used to provide an equitable benchmark for measuring performance and in considering applications for registration and renewal under section 60 of the Act.

The performance standards do not replace legislative requirements, or relieve *organisations* from the responsibility of complying with those requirements. If a conflict between these standards and the law occurs, the law will take precedence.

The performance standards describe the *WHS management system* requirements for self-insured *organisations* in South Australia. As such, they are designed to provide *organisations* with the opportunity to demonstrate *objective* evidence of the presence of effective business management systems.

The performance standards rely on the business and its employees identifying the health and safety hazards in the particular workplace and documenting the corrective action required to prevent injury. The hazard management process of identifying, *evaluating*, and controlling hazards is central to, and a key deliverable of the management system created by the standards. The performance standards promote a business management systems approach to WHS. As such, they will provide self-insured *organisations* with:

- flexibility in developing and implementing strategies to reduce risk, resulting in fewer claims and lower costs;
- integration of WHS with the core functions of the *organisation*;
- assurance that a high level of performance is being maintained; and
- *Continuous improvement* in WHS outcomes.

Objectives of the standards

- To produce measurable continuous improvement outcomes in WHS through a business management systems approach.
- To provide a framework that allows organisations to meet legislative responsibilities under the WHS Act and associated Regulations.
- To assist to achieve its aim of reducing claim numbers, claim rates and the cost, duration and severity of claims in South Australia.

The standards require two levels of *consultation*; internal *consultation* between management and employees and external *consultation* with ReturnToWorkSA.

Consultation

2.1.1 Internal consultation

Self-insured employers are required to establish and maintain effective mechanisms for consultation with employees to ensure:

- employee representative involvement in the development of policy and the planning, implementation and evaluation of its WHS systems and initiatives within the workplace;
- employee contribution to and acceptance of those processes; and
- Compliance with the consultation requirements of the WHSA and Regulations, as a minimum.

The consultative mechanism will vary, in each self-insured organisation depending on the business management system. However, the consultative mechanism must be capable of facilitating dialogue, seeking information or the opinions of affected employees, and considering those opinions prior to management making key decisions.

2.1.2 External consultation

Self-insured employers and ReturnToWorkSA will consult for the purpose of:

- evaluating the employer's business management system
- following up employee reports to ReturnToWorkSA that suggest non-conformance with relevant Acts
- discussing and addressing unresolved non-conformance when identified by the self-insured employer or ReturnToWorkSA, and
- Maintaining a relationship to review the implementation of the employer's agreed action plan.

2.2 Continuous improvement model

The continuous improvement model works on five principles as illustrated below and explained in the following section.

ReturnToWorkSA recognises that the employer's commitment to improvement ultimately drives its outcomes. ReturnToWorkSA's focus on performance and ensuring underpinning systems meet the requirements of the standards assists the employer to achieve its desired outcomes.

Diagram 1 – Continuous improvement model



Standard 1 – Commitment and policy

The Standard requires an organisation to define its WHS *policy* and commit adequate resources to ensure the success of its management systems.

The *policy* needs to be *relevant* to the *organisation's* overall vision and *objectives*. It needs to set the framework for *continuous improvement*. It should ensure accountability and link WHS to the overall *organisational values, objectives, and processes*. The *policy* guides the setting of *objectives*. Supporting *procedures* should set into place the steps to be taken to achieve the *organisation's policy* goals.

SCOPE: ***The organisation defines its WHS policy and supporting procedures in consultation with employees or their representatives.***

Element 1 Endorsed and distributed policy statement

- 1.1 The organisation's policy statement must:
 - 1.1.1 Recognise the requirement for legislative compliance
 - 1.1.2 Recognise the pursuit of continuous improvement
 - 1.1.3 Be integral and relevant to the organisation's:
 - mission statement, vision, core values and beliefs
 - overall management system structure and system
 - activities, products, services and people
 - 1.1.4 Identify responsibilities and accountabilities for all relevant employees
 - 1.1.5 Recognise commitment that appropriate internal and/or external expertise will be utilised, when required, in all related activities.
 - 1.1.6 Recognise other organisational policies and procedures when relevant.
 - 1.1.7 Recognise a commitment to communication of relevant information to all staff.
 - 1.1.8 Recognise the organisation's duty of care to all persons in the workplace including labour hire, contractors and subcontractors, volunteers and other visitors.
 - 1.1.9 Recognise a hazard management approach to WHS
 - 1.1.10 Incorporate commitment to consultation

Element 2 Supporting policies and/or procedures

- 1.2 The organisation must have supporting policies and/or procedures that show:
 - 1.2.1 Evidence of policies and/or procedures to support the policy statement
 - 1.2.2 Contingency arrangements are outlined for the organisation

Standard 2 – Planning

The successful implementation and operation of *WHS management systems* requires an effective planning process with defined and measurable outcomes. The plan starts with the *policy* statement and its *objectives* and addresses the schedules, resources, and responsibilities necessary for achieving them.

Objectives, targets, and performance indicators are identified, as they will be used to measure the effectiveness of the *WHS management system* and to identify areas requiring corrective action and improvement.

In summary, the plans aim to fulfil the *organisation's policy, objectives, and targets*.

Scope: *The organisation plans to fulfil its policy, objectives, and targets in consultation with employees or their representatives.*

Element 1 System strategies

- 2.1 The organisation's system must ensure:
 - 2.1.1 Legislative compliance is addressed as part of the system, where relevant.
 - 2.1.2 Employees or their representatives directly affected by the implementation of WHS plans are consulted when the plans are being formulated.
 - 2.1.3 Programs have objectives, targets, and performance indicators where relevant.
 - 2.1.4 Action plans are in place to correct identified areas of non-conformance with documented procedures.
 - 2.1.5 Program(s) are in place to identify, evaluate, and control hazards in the organisation.
 - 2.1.6 Action plans are in place for dealing with corrective action identified as part of any incident investigation process.

Element 2 Setting of systems objectives

- 2.2 The organisation must ensure:
 - 2.2.1 The identification of objectives for the organisation.
 - 2.2.2 The identification of appropriate strategies to measure, monitor, evaluate, and review the system's objectives.

Element 3 Training

- 2.3 The organisation must ensure:
 - 2.3.1 Appropriate training requirements have been identified.
 - 2.3.2 Training plan(s) have been developed.

Standard 3 – Implementation

This principle focuses on ensuring that the resources and supporting mechanisms needed to achieve the *organisation's policy objectives and targets* are provided.

It deals with adequate resources being made available, integration with current management practices and systems, responsibilities being defined and understood, methods for holding all managers and employees accountable, arrangements for employee involvement, training being implemented, and supporting mechanisms such as verbal and written communications.

Scope: *The organisation demonstrates the capabilities and support mechanisms that are necessary to achieve its policy objectives and targets, in consultation with employees or their representatives.*

Element 1 Resources

- 3.1 The organisation must ensure:
 - 3.1.1 Adequate human, physical, and financial resources are being allocated to support the program(s).
 - 3.1.2 Specialist expertise is used as required.

Element 2 Training

- 3.2 The organisation must ensure a relevant training program is being implemented.

Element 3 Responsibility and accountability

- 3.3 The organisation must ensure:
 - 3.3.1 Defined responsibilities are communicated to relevant employees.
 - 3.3.2 Accountability mechanisms are being used when relevant.

Element 4 Integration

- 3.4 The organisation must ensure system elements are aligned with, or integrated into, corporate business functions, where relevant.

Element 5 Employee involvement

- 3.5 The organisation must ensure arrangements for employee consultation, and involvement are known and integrated into the programs developed.

Element 6 Communication

- 3.6 The organisation must ensure communication arrangements for information dissemination and/or exchange are in place.

Element 7 Contingency planning

- 3.7 The organisation must ensure contingency plans are periodically tested and/or evaluated to ensure an adequate response, if required.

Element 8 Hazard identification, evaluation and control

- 3.8 The organisation must ensure:
 - 3.8.1 A hazard management process that includes identification, evaluation, and control is in place.
 - 3.8.2 Employees or their representatives are consulted and participate in hazard management processes.
 - 3.8.3 Control measures are based on the hierarchy of control process.
 - 3.8.4 Program(s) are in place to ensure an appropriate WHS consideration is given to changes in the workplace and work practices.
 - 3.8.5 Program(s) are in place to ensure an appropriate WHS consideration is given at the time of purchase, hire, or lease of plant, equipment, and substances.
 - 3.8.6 Program(s) are in place to meet the organisation's duty of care for all persons in the workplace
 - 3.8.7 Program(s) are in place to ensure work related injury/illness and incidents are investigated and action taken when relevant.

Element 9 Workplace monitoring

- 3.9 The organisation must ensure:
 - 3.9.1 That the implementation of relevant inspection and testing procedures are conducted by the relevant, competent person(s).
 - 3.9.2 That corrective/preventive action is taken on non-conformance issues identified by inspection, and testing procedures.

Element 10 Process delivery

- 3.10 The organisation must ensure all other activities arising out of policies and/or procedures are being implemented.

Element 11 Reporting/documentation

- 3.11 The organisation must ensure the relevant level of reporting, records and/or documentation is maintained to support the system programs and legislative compliance.

Element 12 Documentation control

- 3.12 The organisation must ensure program(s) of documentation control for identification and/or currency of essential documents are in place and maintained.

Standard 4 – Measurement and evaluation

WHS performance is measured, monitored, and *evaluated* using *performance indicators*, to ensure that the *organisation* is performing in accordance with its *policy, objectives, and targets*. Importantly, areas of success and activities requiring corrective action and improvement will be identified.

Scope: *The organisation measures, monitors and evaluates its performance in consultation with its employees or their representatives, and takes corrective action when necessary.*

Element 1 Objectives, targets and performance indicators

- 4.1 Organisation must ensure planned objectives, targets and performance indicators for key elements of program(s) are maintained, and monitored and reported.

Element 2 Internal audits

- 4.2 The organisation must ensure programmed internal audits are performed objectively by competent personnel to ensure performance of systems and programs and employees directly affected by the results, or their representatives, are consulted.

Element 3 Corrective action

- 4.3 The organisation must ensure outcomes of the audits are documented and the necessary corrective action(s) identified, prioritised, and implemented.

Standard 5 – Management systems review and improvement

The *organisation* should regularly review and seek to continually improve its systems. This leads to the development of *continuous improvement* strategies within the *organisation*.

Scope: *The organisation regularly reviews its WHS management system, in consultation with its employees or their representatives, with the objective of maintaining and where possible improving overall performance.*

Element 1 Policy

- 5.1 The organisation must ensure
 - 5.1.1 It reviews the scope and content of the policy statement and supporting policies/procedures in consultation with employees or their representatives to ensure continued suitability and effectiveness.

Element 2 Objectives, targets and performance indicators

- 5.2 The organisation must ensure:
 - 5.2.1 The level of achievement of documented objectives, targets, and performance indicators is analysed and utilised to promote continuous improvement strategies.
 - 5.2.2 Results are analysed and used to determine areas of success and areas requiring corrective and preventive action.

Element 3 System review

- 5.3 The organisation must ensure:
 - 5.3.1 The system is reviewed and revised, if required, in line with current legislation, the workplace and work practices.
 - 5.3.2 The system's measurement outcomes are used as a basis for future system development.

GLOSSARY:

Action plan	Describes the activities of the organisation to achieve the organisation's objectives and includes key elements for attention and/or review, the person responsible for action, and the timeframes intended for completion.
appropriate	Suitable or fitting for a particular purpose, person, occasion or intent.
CEO	The chief executive officer or most senior executive/manager residing within South Australia with the responsibility for WHS.
competent	A person who is suitably qualified (by experience and/or training) to carry out the work or function described.
conformance	Activities undertaken and results achieved fulfil the specified requirements.
consultation	Consultation involves the sharing of information and the exchange of views between employers and the persons or bodies that must be consulted and the genuine opportunity for them to contribute effectively to any decision-making process to eliminate or control risks to health or safety. The extent and nature of the consultation will vary between workplaces and the different situations.
contingency	Planning to maintain control of the management system applicable to a particular business during an unplanned event, such as fire, chemical spill, bomb threat, injury, and the loss of key personnel.
continuous improvement	Process of enhancing the health and safety systems, to achieve improvements in overall related performance, in line with the organisation's policies. The process need not take place in all areas simultaneously.
evaluate	To test and find value, quality etc., to appraise, make judgements.
inspection	An examination of a workplace to identify and record hazards for corrective action and to check how safety features (hazard controls) are operating, paying attention especially to components most likely to develop unsafe or unhealthy conditions because of stress, wear, impact, vibration, heat, corrosion, chemical reaction or misuse, etc.
Internal audit	A systematic, and wherever possible, independent examination, carried out by a competent person, appointed by the employer, in consultation with employees or their representatives, to determine whether an activity or activities and related results conform to planned arrangements; whether these arrangements are implemented effectively; and whether they are suitable to achieve the organisation's policy and objectives. The results of the internal audits must be documented and employees

	consulted over them. Preventive/corrective action plans must be subsequently developed.
key element	An essential component of the management system applicable to a particular business.
legislative compliance	Meeting the requirements of prevailing legislation.
measurement	Any technique used to measure any system or element outcome against objectives, targets, timeframes etc., established, or set by the organisation.
non-conformance	Activities undertaken and the results achieved do not fulfil the specified requirements of the elements. This may be due to the substantive absence or inadequate implementation of a system or documented systems or procedures not being followed.
objective	An overall goal in terms of performance, arising from policies that an organisation sets itself to achieve, and which is quantified, where practicable.
Observation	Activities undertaken and results achieved fulfil the specified requirements of the elements; however, an opportunity for improvement exists due to minor deficiencies identified.
organisation	A company, corporation, firm, enterprise, government agency, institution, or other legal identity, or part thereof, whether incorporated or not, public or private, that has its own functions and administration.
performance indicator	A selected indicator of how effectively a process is operating against objectives. These indicators can be quantitative or qualitative and the choice is dependent on the type of element they are used to measure, as appropriate to the organisation.
policy	Statement by the organisation of its intentions and principles in relation to its overall health and safety performance. The policy provides a framework for action and for the setting of health and safety objectives and targets.
procedure	Written, detailed way to action/perform in conformance with policy objectives.
program	A planned component of an organisation's business management system for health and safety.
relevant	Connected with the matter in hand; pertinent (e.g., legislative requirements and/or other identified needs of the organisation).
target	A detailed performance requirement, quantified wherever practicable, pertaining to the organisation that arises from the health and safety. It needs to be met in order to achieve those objectives.

Work health and safety (WHS) management system	An orderly arrangement of interdependent activities and related procedures that drives an organisation's WHS performance.
Workplace Monitoring	To check, observe or keep a record of something (by a person or a device), usually used for the evaluation of a hazard and for assessing the effectiveness of control measures.



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