## 1.0 Risk Assessment Process

The Retail 1 BSS HSE Network and the OSA HSE Task Team developed the risk assessment process described here.

The methodology is a structured approach to the accepted risk assessment process of:

* Identifying Hazards;
* Determining Impacts;
* Assessing Risk;
* Identifying Controls; and
* Producing Actions to further mitigate identified risks.

**1.1 Key steps**

* Define business processes for assessment.
* Develop a list of road safety related risks based on business processes.
* Assign values for the impact and the probability of the event.
* Assign values for the manageability of the risk creating an Overall Risk value that is used for prioritisation
  1. **Determine values for Consequence (impact) and the Probability of the event**

The following matrix is used to assign numerical values for Consequence and Probability.

**1.3 Definitions**

The following definitions are commonly in use through BP. If not appropriate, a BU could develop its own definitions.

### Consequence of Business Impact

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Category Potential Severity** | **People** | **Property** | **Process** | **Environment** |
| **High\*1** | Fatalities  Multiple Serious Injuries | >USD 500,000  Theft/Fraud  >USD 100,000 | Major fire, exposure,  Risk to reputation  Business Interruption:  >USD 500,000  Potential Commercial Loss: >USD 200,000 | >15,900 L.  [100 Bbls]\*2 |
| **Medium** | DAFWC / Restricted Work Injuries  Medical Treatment | >USD 10,000 to  USD 500,000  Theft/Fraud  >USD 10,000 to USD 100,000 | Business Interruption:  >USD 10,000 to  USD 500,000  Potential Commercial Loss: >USD 10,000 to USD 500,000 | 159 L to  15,900L.  [1–100 Bbls] \*2 |
| **Low** | First Aid | < USD 10,000 | <USD 10,000 | <159 L  [1 Bbls] \*2 |

\*1 Based on BP definitions of a MIA

\*2 Subject to locality/circumstances/potential

### Probability of an event

##### High

One or more events per year are likely.

**Medium**

One event per every 10 years.

**Low**

One event in more than every 10 years.

The assessment is looking for events, which are likely to happen in the comparable industry and environment.

[Note: Event frequencies can be modified to fit BU requirements.]

### Manageability of the risk

**High**

#### If the company has direct operational control of the process

**Medium**

#### If the company has indirect control of a process, or can only influence

**Low**

#### If social, political, cultural or technical issues are the reason for risks

The manageability should provide an overall view, if certain risks are fully under the control of management. This could be of course a judgement only but it raises healthy discussions on how far management is able or feels itself empowered to control or influence HSE matters. The result should be used to tackle the high manageable items first for quick implementation results only. It does not mean that low manageable issues should not have actions identified.

**2.0 Risk Assessment Template**

The Risk Assessment spreadsheets (attached Excel Workbook at the end of this document) are used to document the identification of BU Activities, Hazards, and the values assigned for Consequence, Probability, Manageability and Risk.

It is suggested that a separate Sheet be used for each specific area of Activity. Individual work site locations can be used as well.

For clarity, a completed example is included in the Excel Workbook.

Number

To be completed once the ‘Process, Sub-process and Hazard’ columns are filled in.

* In the first column, record number of main activities within a Process.
* In the second column, record the number of activities within sub-processes.
* In the third column, record the number of actual risks/Hazards connected to Process/sub-process

###### Process

Each individual Process is to be listed in the first instance

###### Sub-process

Each individual Process is then to be split in meaningful, not too detailed, sub-processes, if any.

###### Hazard

Processes and sub-processes are then to be ‘brain stormed’.

Consequence

Determined using the Risk Matrix described in section 1.2.

###### Probability

Determined using the Risk Matrix.

###### Risk

Multiply the value for consequence times the value Probability to get Risk.

###### Manageability

Critically review BP’s level of Control to determine levels of Manageability.

Classify Manageability as:

High: If the company has direct operational control of the process.

Rating = 1

Medium: If the company has indirect operational control of the process, or can only influence.

Rating = 2

Low: If social, political, cultural or technical issues are the main reason for the risks.

Rating = 3

**3.0 Action Plans**

Once all risks have been identified, rated and prioritised, action plans can be agreed.

1. **Risk Assessment Tool**