



# Arrangements for Enhancing the Management of Site Safety Audits - China State's Experience

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# Mechanisms for Assessment of Site Safety Performance

1. Overall Assessment
2. Specific Control



# Overall Assessment

- Comprehensive assessment scheme
- Integrated management approach
- Assessment parameters include:
  - Safety
  - Security
  - Contract
  - Resources
  - Clients' assessment results
  - Environment
  - Quality
  - Progress
  - Cost
  - etc.



## Overall Assessment (Cont.)

- Safety management performance is of the utmost importance among other parameters
- KPIs include:
  - Establishment and implementation of safety plan, method statements and risk assessments
  - Implementation of Company's safety requirements
  - Statutory safety audits
  - Independent safety audits
  - Results of regular or ad-hoc site inspections
  - Accident incidence rates
  - Occurrence of serious accidents
  - Safety awards
  - Other H&S statistics, etc.



## Overall Assessment (Cont.)

- Scoring system
- Half-yearly assessment
- Administered by HR Department
- Criteria for performance related bonus



## Specific Control

- To ensure management procedures are properly implemented
- To continually improve the Company's management performance
- Cover 4 aspects:
  - Safety
  - Environment
  - Hygiene
  - Security



## Specific Control (Cont.)

- Assessment Scheme (Safety)
  - Regular site assessment
    - Half-yearly statutory safety audit
    - Quarterly/ ad-hoc site safety inspections
  - Assessment of site performance records
    - Serious accidents, incidents, dangerous occurrence
    - Convictions
    - Independent safety audit results, etc.



## Specific Control (Cont.)

- Assessment Criteria
  - For independent/ statutory safety audits
    - FAIL if audit score  $< 70$  for either Part A or Part B



## Specific Control (Cont.)

- Reward and Penalty System
  - Yellow/ Red card
  - Score banding in the assessment results
- Stringent requirements on improvement actions for poor performers
- Continuous assessment
- Annual performance review
- Administered by Safety & Environmental Protection Department

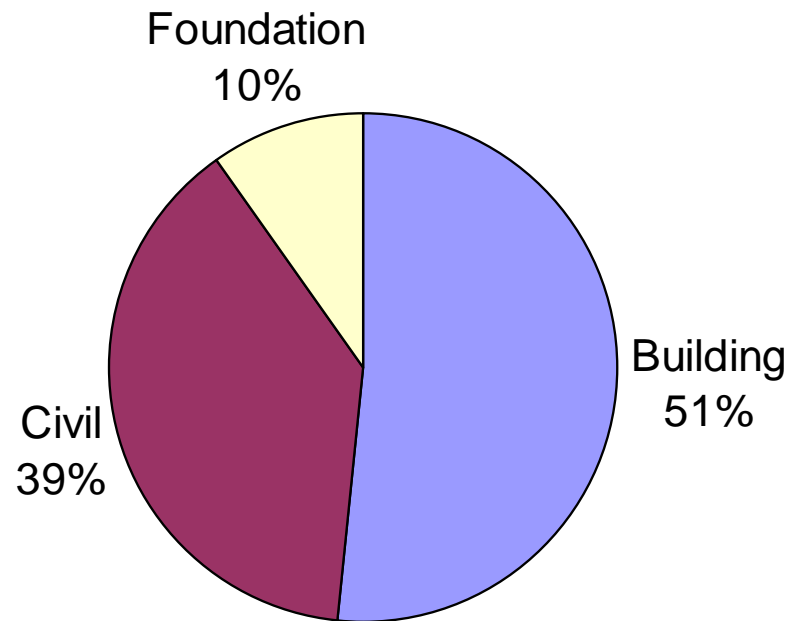


# Review on Management of Site Safety Audits

- Conducted in late 2006
- Some facts:
  - Safety audit score is one of the criteria for assessment of overall site management performance
  - All statutory site safety audits are being carried out by 2 Head Office based RSAs
  - Some projects audited by external or independent safety auditors as per contractual requirements or because of other reasons

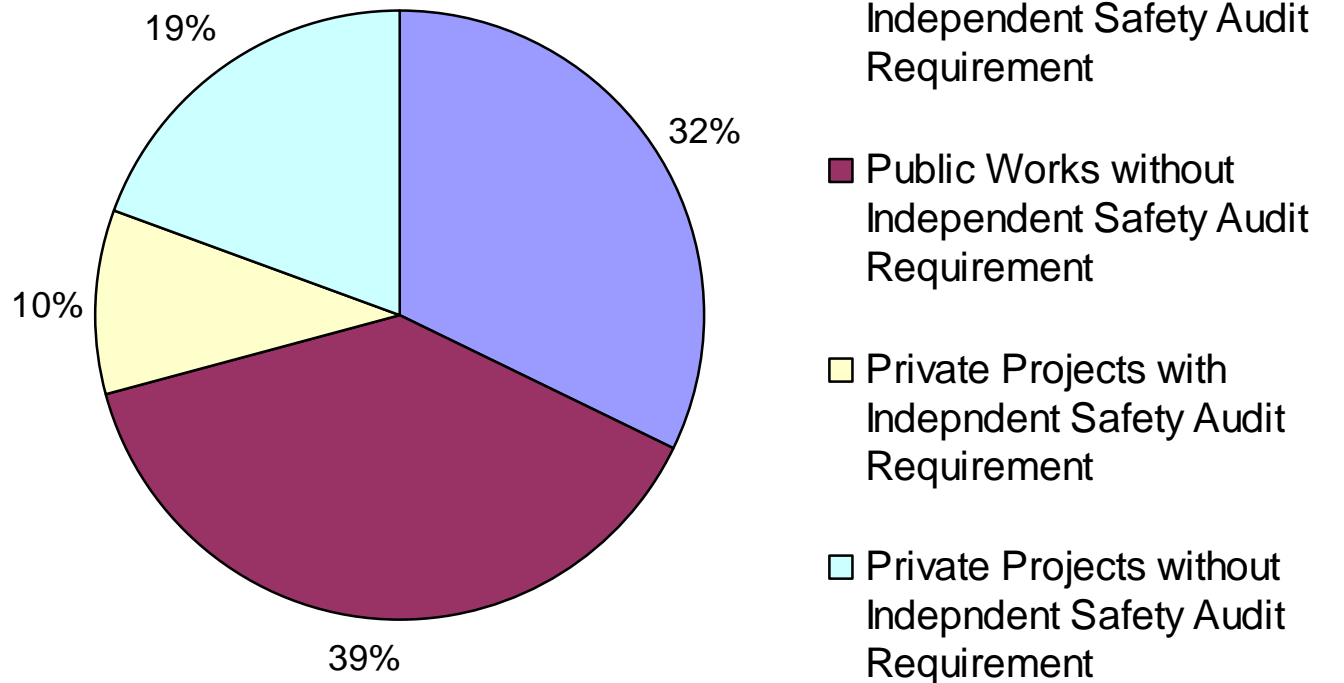


# Distribution of Projects under Construction by Project Types



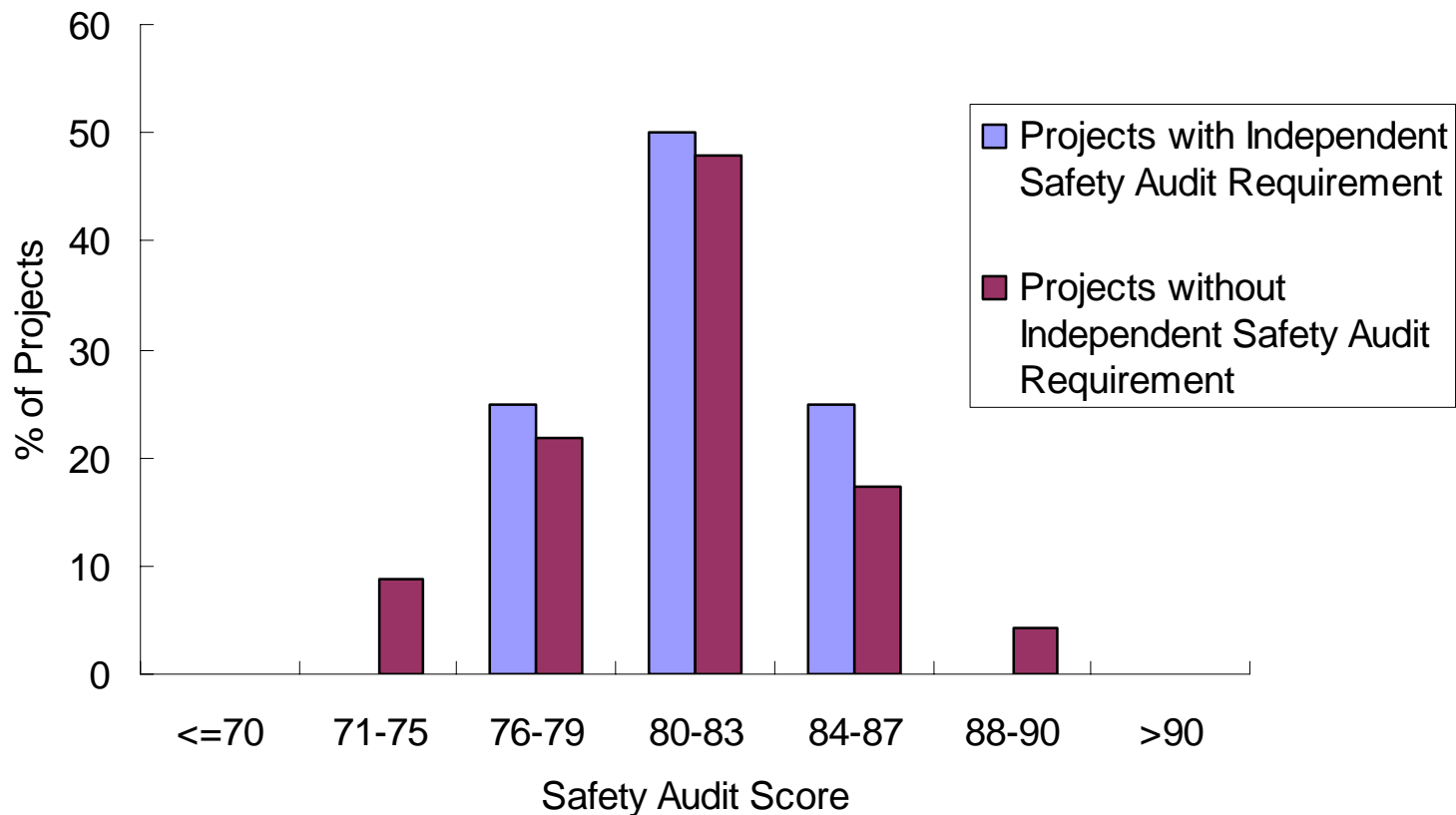


# Percentage of Project with/ without Independent Safety Audit Requirement



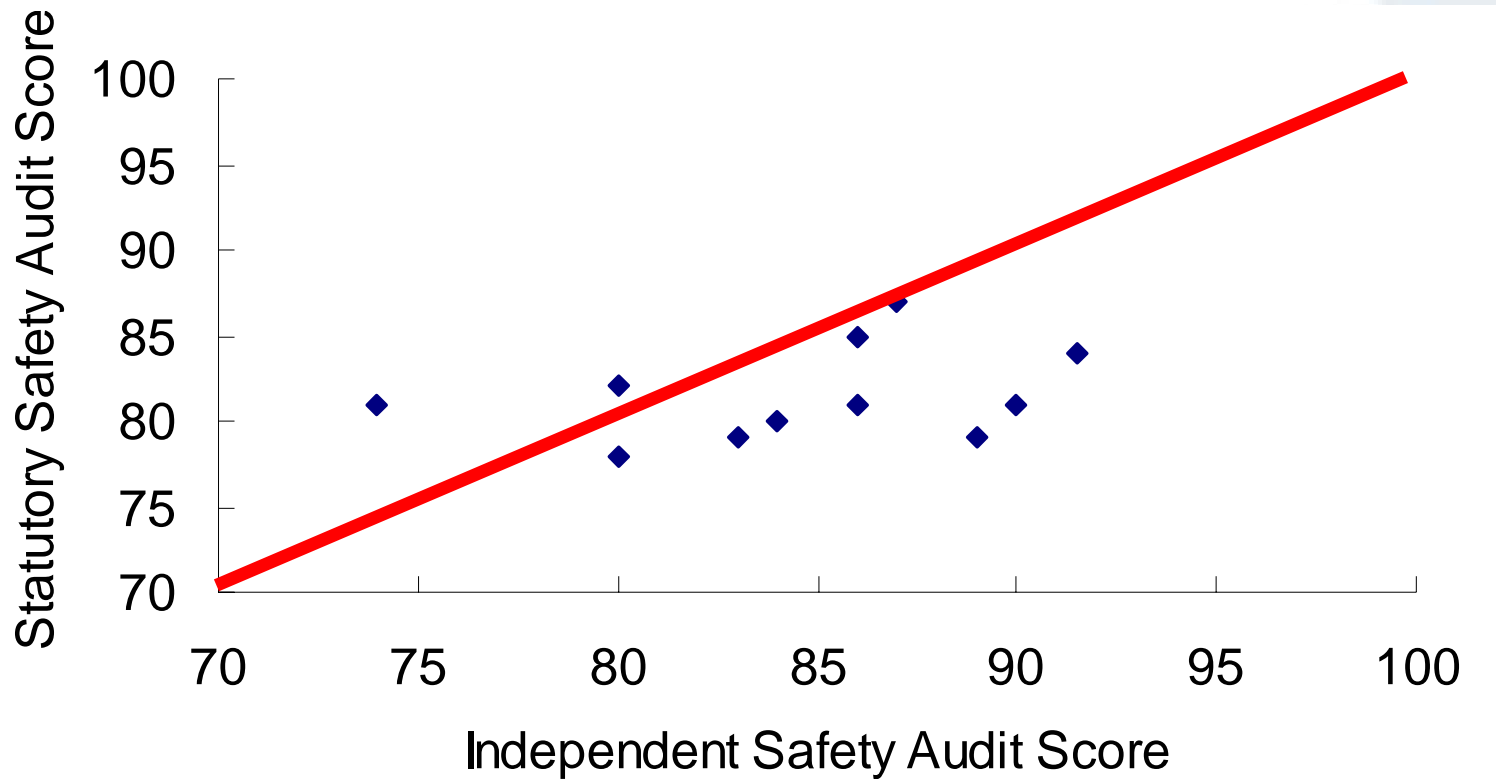


# Distribution of Statutory Safety Scores





# Pilot Scheme for Safety Audit Management





# Pilot Scheme for Safety Audit Management

- High safety audit score = Effective SMS?
- Top management believed safety audit is vital for enhancement of company's safety performance
- Have rooms and needs for enhancement of safety audit management



# Pilot Scheme for Safety Audit Management

- External RSAs to carry out statutory safety audits on selected projects/ company in 2007
  - Building (Public Works) x 1
  - Building (Private Project) x 1
  - Civil (Public Works) x 2
  - Subsidiary company x 1



# Pilot Scheme for Safety Audit Management

- Selection of RSAs
  - Occupational safety & health practitioners with extensive experience
  - Multi-disciplinary exposure
  - Extensive experience in construction industry
  - Well-educated
- Duration of safety audit
  - 2 full days



# Pilot Scheme for Safety Audit Management

- Our expectations:
  - Improvements in SMS directly communicate to site management in an effective and objective manner
  - Ensure quality follow up and monitoring of the implementation of the improvement actions
  - Aim at smart ideas
  - Benchmark against industry best practice
  - Conduct safety audits “openly”
  - No comparison of performance of RSAs



# Pilot Scheme for Safety Audit Management

- Observations:
  - Appreciated by Clients' representatives
  - Management more susceptible to audit findings
  - Highlighted the importance of proper implementation and maintenance of safety management plan and procedures
  - Emphasized hazard identification on specific activities



# Pilot Scheme for Safety Audit Management

- Observations (Cont.):
  - Focused highly on accident investigation
  - Shared views regarding the importance of training need identification and training effectiveness
  - Followed up deficiencies from safety management perspective
  - Advised on potential hazards and related risks on forthcoming construction activities



# Pilot Scheme for Safety Audit Management

- Observations (Cont.):
  - Stressed the importance of visible management commitment to safety management works
  - Encouraged adopting a practical approach for controlling site safety conditions instead of a “paper safety” approach
  - Advised effective ways for enhancing SMS efficiency



## The Way Forward

- Target at arranging all projects to be audited by external RSAs
- For public works and private projects without independent safety audit requirements
  - 1) Extend the pilot scheme;
  - 2) External RSAs to conduct all statutory safety audits, irrespective of contract sum;



## The Way Forward

- 3) External RSAs to conduct statutory safety audits at a frequency of once a year;
- 4) For construction projects with contract sum  $\geq$  800M, external RSAs to conduct all statutory safety audits; or
- 5) Combination of 3 & 4.



Competent RSAs like  
you are always welcome!



# Thank You

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