

	<h1>INSPECTION</h1>	<h1>POLICY</h1> <p><input checked="" type="checkbox"/> Approved for Publication</p>
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1. Purpose

This policy document provides an overview of the general principles the National Offshore Petroleum Safety Authority (NOPSA) applies when undertaking planned inspections.

This policy has been drafted with consideration of the relevant legislation. This policy assigns responsibilities and defines review processes to ensure effective implementation.

2. Scope

This policy covers the approach NOPSA's Occupational Health and Safety (OHS) inspectors in conducting planned inspection functions.

NOPSA uses the term planned inspections to describe those inspections undertaken to ascertain whether a listed OHS law is being complied with.

The *Offshore Petroleum and Greenhouse Gas Storage Act 2006* does not differentiate between different types of inspection, but, for operational reasons, NOPSA has defined various types of inspection activity, and differentiates these from situations where NOPSA inspectors cannot use their powers of inspection.

Investigation is the term NOPSA uses for inspections concerning a contravention or a possible contravention of a listed OHS law as a basis for enforcement action. These inspections can only take place where there is justification to do so. Investigations are covered by the policies and procedures in the N-03000 series, and are therefore excluded from this policy. NOPSA's policy is that warrants will only be sought for investigations, and therefore activities requiring warrants are also excluded from the scope of this policy.

Visits to vessels, structures or premises that are not facilities for reasons other than investigation will be carried out in accordance with NOPSA's policy and procedure for promotional visits, as set out in the N-02100 series.

Definitions and abbreviations used in this document can be found in NOPSA's

Glossary of terms for Regulatory Operations - N-09000-GL0326 Glossary – Regulatory Operations.

3. Relevant Legislation

[Offshore Petroleum and Greenhouse Gas Storage Act 2006](#)

[Offshore Petroleum and Greenhouse Gas Storage \(Safety\) Regulations 2009](#)

and the equivalent State or Territory [Petroleum \(Submerged Lands\) Act 1982](#) and associated regulations.

4. Purpose of Inspections and Audits

OHS inspectors may conduct inspections of facilities, regulated business premises and other premises under certain circumstances.

The purpose of planned inspections is to ascertain whether the facility and its operations are in compliance with applicable health and safety legislation.

In the event that planned inspections identify deficiencies in the controls and systems implemented, a lack of systems available, or any omissions or errors in the safety case, it is NOPSA policy to use the information obtained to improve the systems at the facility via promotion, or enforcement in accordance with N-05000, as appropriate.

The information obtained through planned inspection may be used to provide intelligence for use in other activities conducted by NOPSA, such as identification of emerging accident or dangerous occurrence trends across the industry, or to share examples of good practice.

For operational purposes, NOPSA further distinguishes between two types of planned inspection: field-based inspections and themed audits. The main difference between these two categories is that field-based inspections focus on the actual implementation of control measures described in the facility's safety case, while themed audits tend to deal with the inspection of organisational issues by following a common theme to direct lines of questioning.

There can be considerable overlap between the two types of inspection. For example, if field-based inspections identify examples of poor maintenance performance on several facilities run by a single operator, a themed audit on that operator's maintenance management system may be initiated, rather than dealing with the issue in piecemeal manner on each facility.

A field-based inspection will therefore tend to involve some or all of the following activities:

- confirming that the hardware and procedural systems described by the operator in the safety case are in place;
- obtaining evidence that such systems are implemented in practice;
- gaining assurance that the implementation of the systems will be ongoing;
- verifying that risk control improvements have been implemented;
- checking that actions arising from recommendations of previous audits and inspections have been implemented;

- testing personnel knowledge and understanding of selected aspects of the safety case and supporting documentation.

Themed audits will focus more closely on a single, specific topic and follow that without looking at other matters. Themed audits are more likely to involve inspection of management systems, with some verification on the facility if required.

5. Planned Inspection

The *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGSA) gives OHS inspectors the power to conduct inspections to ascertain whether the requirements of the Act and subordinate regulations are being complied with.

Planned Inspections are a critical examination of aspects of a facility, its systems and operations with information obtained from the facility safety case. Information will also be taken from other sources such as incident notifications and investigations, past inspections.

Planned inspections focus on facilities. The subject of planned inspections will, in general, include risk control measures related to either a Major Accident Event or Occupational Health and Safety controls, or both.

Planned Inspections provide assurance that the facility or pipeline and its operations are consistent with the descriptions provided in the safety case and supporting information and that the operator has robust systems in place to control risks.

Assurance is also provided that diving activities are consistent with the OPGGS(S) Regulations and the Diving Project Plan (DPP). The legislation also allows inspection of sub-sea facilities and pipelines.

6. Risk Profile

A model of how risk is accounted for in NOPSA's inspection operations is shown in Figure 1.

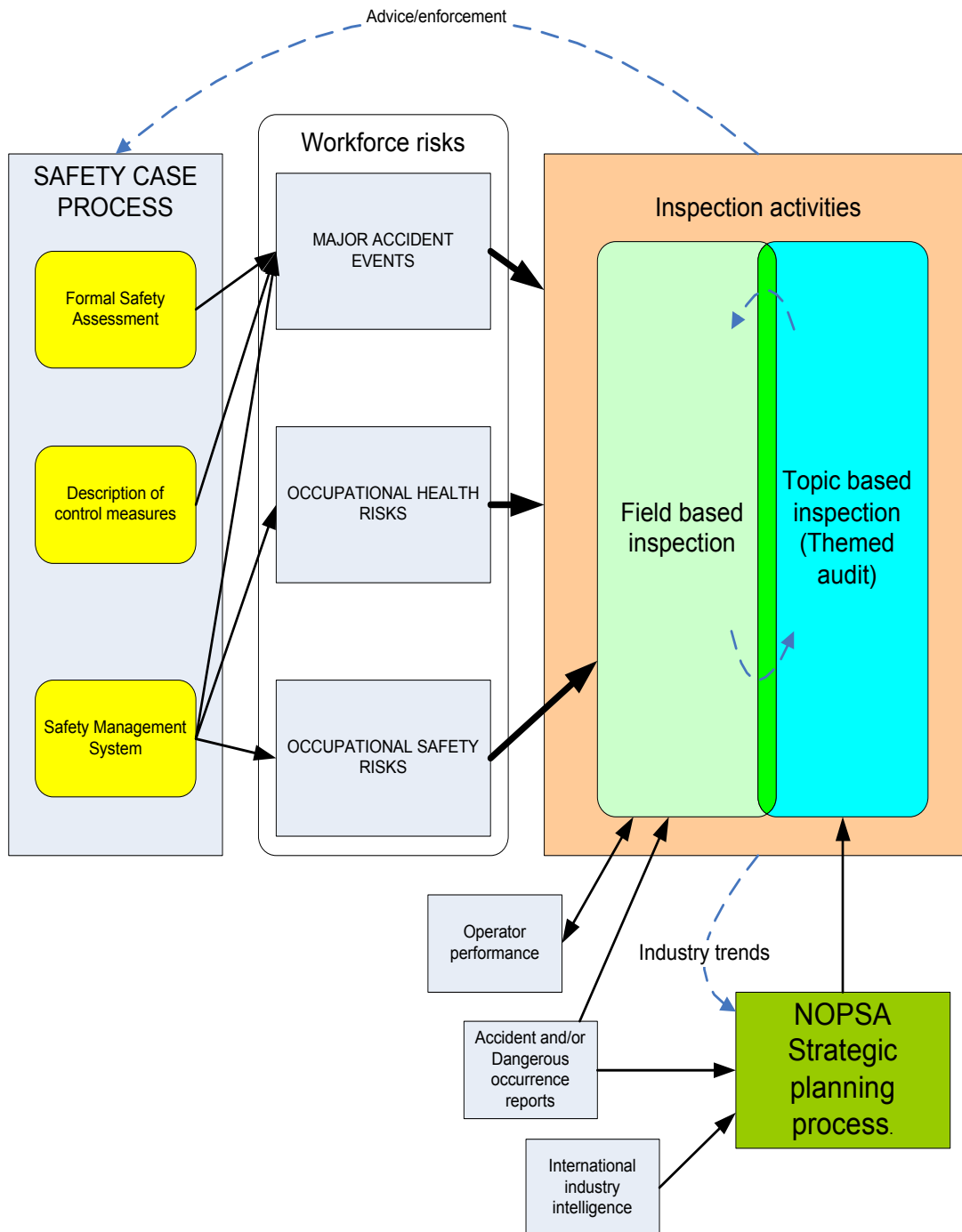
A person must undertake operations and activities in accordance with their safety case as accepted under the OPGGS(S) Regulations.

NOPSA will use inspection as a tool to ascertain whether the requirements of these and related documents, the general duty of care and specific requirements of the relevant regulations, are being met by operators and other duty holders.

Operations requiring a safety case or DPP have the greatest ability to impact on people, therefore, inspection activities will focus on these operations.

As pipelines can have safety implications during maintenance and inspection activities, the management of these activities may also be subject to inspection.

Figure 1 – How risk is accounted for in NOPSA’s planned inspection activities



7. Policy

Clause 9 of Schedule 3 to the OPGGSA imposes a duty of care on the operator of a facility to take all reasonably practicable steps to ensure the facility is safe and all work and other activities are carried out in a safe manner and without risk to people’s health. In addition, there are regulatory requirements to comply with relevant documentation, such as safety case.

The NOPSA Corporate Plan states that we will concentrate on field-based engagement, targeting our effort on the reduction of risk by operators. However, we will also inspect operators' offices onshore to obtain assurance that the health and safety commitments of the senior management team and shore based activities are aligned with those offshore. In so doing we will aim to integrate our work with that of the industry and be flexible to meet changing needs. We will continually review and seek to improve our processes to increase productivity and ensure we use good management information and intelligence to inform target setting.

NOPSA's business plan includes a goal of improving safety outcomes across the offshore petroleum and greenhouse gas storage industry through the development and implementation of a consistent, effective and efficient inspection regime.

All inspections will be undertaken in an informed, risk-based and consistent manner. Where appropriate, they will be undertaken using technical guidelines developed by technical specialists to focus the OHS inspector's activities.

Inspections will be independent of operator inspections and audits.

During the inspections, OHS inspectors will communicate with all levels of the workforce including Health and Safety Representatives (HSRs). Inspections will include examination of the operator's compliance with the consultative requirements of the legislation.

Inspections may take several days and incorporate overnight stays on facilities. In general, all inspection activities of normally manned facilities will be undertaken with a minimum of two personnel.

NOPSA will develop an overall annual inspection plan for all operators, their facilities and operations. Individual operators will be consulted in the development of the plan for planned inspection of their facilities. However, NOPSA will maintain the option for discretionary inspections.

7.1 Inspection and audit activities are specific and focused

The proposed scope of the inspection is set by the Focal Point OHS inspector, and agreed in consultation with the Team Leader during annual planning activities.

The basis for these activities is the safety case and any commitments made by the operator regarding recommendations from previous inspections. Consideration is also given to investigations and incident notifications from operators, as well as National Programmes. Liaison with HSRs will be specifically included in inspections. This scope will be followed, where practicable, during the inspection.

Where a major change occurs in the focus of the inspection, this should be discussed with the Team Leader where it is practicable to do so. If other issues are noted by OHS inspectors, these issues may also be taken into consideration during the inspection, even though they may fall outside the original scope and there may be enforcement action.

7.2 The inspection is proportionate to the level of risk

Planned inspection activities are conducted over the life of the facility. However, due to the size and scale of offshore petroleum and greenhouse gas storage facilities and their operation, it is not practicable to inspect every aspect of the safety case or DPP in detail. Inspection activities shall be identified and prioritised by the Focal Point inspector.

Inspections will prioritise those areas of each facility that generate a significant portion of the facility risk, and those control measures that have the most influence on risk.

The frequency of inspections of facilities will be informed by risk assessment. Indicative frequencies for non-pipeline facilities are shown in Table 1.

Table 1 - Inspection Frequency for Non-pipeline Facilities

		Operator Maturity	
		Low	High
Facility complexity	High	Greater than once per year plus themed audit of SMS issues onshore. (1)	Once per year
	Medium	Greater than once per year. (2)	Once per year
	Low	Once per safety case cycle or following significant change	Once per safety case lifecycle.

(1) – Team Leader to decide appropriate frequency in conjunction with team member responsible for inspecting the facility. Choice of SMS issue should be guided by operational experience.

(2) – Team Leader to decide appropriate frequency in conjunction with team member responsible for inspecting the facility.

For pipelines, the following approach to determining inspection frequencies will be used:

Table 2 – Inspection Frequencies of Pipelines

Priority	Target Frequency
High(1)	Once per two years
Medium(2)	Once per four years
Low(3)	Once per eight years

(1) High priority - Pipelines connected to normally manned facilities – high probability of people being at or near the pipeline.

(2) Medium priority - Pipelines connected to normally unmanned facilities or that have shallow shore crossings that are accessible by people (i.e. non horizontal direct drilling) - reduced probability of people being at or near the pipeline.

(3) Low priority - Pipelines that are not connected to a facility (e.g. pipelines originating at sub-sea developments running to shore via HDD shore crossings) - very low probability of people being at or near the pipeline.

7.3 Planned inspection will focus on Major Accident Events and OHS controls

Planned inspection activities will in general include controls claimed in relation to Major Accident Events (MAEs) or Significant Pipeline Accident Events of pipelines for State/NT designated coastal waters pipelines, and controls claimed in relation to an OHS hazard at the facility. These will be chosen with consideration for the appropriate guidelines, including consideration of relevant National Programme requirements.

The control measures and SMS elements inspected will be reviewed as far as practicable in line with a range of factors:

- Are the control measures implemented? This is to establish that the control measures exist as described in the safety case or DPP.
- Are the control measures functional? Do the control measures function as described in the safety case or DPP, and meet the required performance standards?
- Are the control measures maintained? Are maintenance activities on the control measures as frequent and cover the issues identified in the safety case or DPP. That is, do they check the functionality assigned above to the required standard, as often as described, etc?
- Are the control measures audited? Are the maintenance and inspection results checked and acted upon? What is done to correct any deficiencies?
- Is the workforce competent? Is competency of personnel demonstrated in relation to the selected control measure?

In developing the issues to be reviewed, relevant specialist knowledge within the NOPSA inspectorate will be taken into consideration as far as practicable.

7.4 Inspection team

Planned inspection will be done in general by a team consisting of two persons, one of whom is designated as the Lead Inspector. Where possible the Leader Inspector will be the OHS inspector designated to that facility.

7.5 Conduct of the Inspection

OHS Inspectors will present their identity cards to the operator's representative and, where appropriate, HSRs at every inspection, whether this is requested or not.

OHS inspectors conducting planned inspections must operate within the boundaries of the relevant NOPSA policies and procedures. This may mean OHS inspectors will initiate enforcement activities during facility visits where this is considered necessary in the opinion of the OHS inspector.

The planned inspection findings will be appropriately recorded. This information will be collated by the inspection's Lead Inspector and an inspection report prepared.

Operators are given the opportunity to comment on the conduction of the planned inspection via a feedback form on NOPSA's web site.

7.6 Communication of NOPSA's expectations

To assist in effective and efficient inspection, NOPSA will ensure that operators are fully aware of the role and purpose of planned inspection. To ensure this, where appropriate, NOPSA conducts meetings with onshore senior management prior to commencing an inspection to gain a perspective on the operator's understanding and expectations of offshore management. A follow up meeting is also held after the inspection to provide feedback to onshore management.

7.7 Managing planned inspections

All planned inspection activities will be recorded and monitored using the Regulatory Management System.

7.8 Lessons learned from inspections

Significant issues arising from inspections will be recorded using the Regulatory Management System's facility issues function.

8. Working with MOU agencies

NOPSA will establish and maintain working relationships with relevant State and Territory Designated Authorities (DAs) and other relevant agencies to facilitate cooperation and consultation associated with inspections where appropriate.