

HSE Management System Support Proposal



Health



Safety



Environment

Caracal HSE Consulting
Ray Hopkins CRSP, NCSO, QSR
caracal.qhse@gmail.com

Dear Operations Manager,

Subject: HSE Management System Support

Thank you for allowing me the opportunity to provide you with a proposal to support your efforts with your HSE management system. My goal is to ensure you receive the best possible advice, service and support in creating and managing a system that it is easy to maintain and implement throughout your operations.

I have tiered the proposal to “right size” the expertise to ensure you are receiving high value for the effort required from Caracal HSE Consulting.

I look forward to working with you and your team in the near future. Please call me at 587-425-CARS (2277) if you have any questions or if you need additional information.

Best Regards,

A handwritten signature in black ink, appearing to read 'Ray Hopkins', with a stylized flourish at the end.

Ray Hopkins

CRSP, NCSO, QSR



Objective

Workplace safety helps people live better lives, reduces injuries and can lower workers compensation rates. Employers with great safety performance records realize that safer workplaces not only reduce the personal costs to workers and their families, but also reduce other indirect costs that impact a company's productivity and reputation.

With a strong focus on the Auto Sales & Service, Auto General Repair, Body Shop & Glass Industries, Caracal HSE Consulting has created a formula for "Industry Success" in the delicate balance of achieving optimal value, efficiency, compliance & cost savings for its customers. It takes all employers, large and small in the industry to make this possible and it is well within reach.

For 2015 Alberta Workers Compensation reported:

- Auto Industry Codes will not pay a premium levy to subsidize health and safety training initiatives and the associated industries (Glass Repair) that do pay are paying into the Alberta Construction Safety Association.
 - There currently is no Automotive Safety Association.
- Less than 48% of covered workers are working for an employer with a Certificate of Recognition in these industries.
 - It is estimated that less than 10% of the Automotive Industry in Lethbridge work for an employer with a Certificate of Recognition.
- There are 1045 employers receiving a Poor Performance Surcharge on their WCB fees with 93 of those employers being levied the maximum 200%. There is an additional 62 employers who will receive a Poor Performance Surcharge between 100% and 200% and 65 employers will receive a Poor Performance Surcharge of 100%.
- Industry Custom Pricing can play a significant role in group premiums. Currently Auto Dealers participate in Experience Rating and Automobile Body Repairs participate in Cost Relief. These standards typically place a higher level of accountability for surcharges and the opportunity for higher discounts.
- In 2015 the average claim duration is forecasted to decrease slightly to 34 days with an average cost per claim of \$27,409.

Let's take a look at the numbers:

The premiums employers pay can vary widely depending on their safety record and whether or not they participate in Experience Rating & have a Certificate of Recognition. The following illustrates the potential impact:

Sample Industry	Maximum Discount (60%)*	2015 Premium Rate	Maximum Surcharge (240%)**
Auto Dealers & Service	\$0.33	\$0.83	\$2.82
Auto Body Repairs	\$0.63	\$1.58	\$5.37
Auto General Repair	\$0.57	\$1.42	\$4.83
Doors/Windows Install	\$0.83	\$2.08	\$7.07
Oilsands Operations	\$0.14	\$0.34	1.16

*Maximum Discount combines Experience Rating Plan and Certificate of Recognition discount at 20%.

**Maximum Surcharge combines Experience Rating Plan (E/R) at 40% and Poor Performance Surcharge (PPS) at 200% (Please note employers in Industry Custom Pricing are eligible for a 260% maximum surcharge)

Auto Dealer & Service with \$1 Million in Insurable Earnings (Annual Payroll)

	60% Discount	Industry Rate	240% Surcharge
Rate	\$0.33	\$0.83	\$2.82
Premium	\$3,300	\$8,300	\$28,200

Auto Dealer & Service with \$5 million in Insurable Earning (Annual Payroll)

	60% Discount	Industry Rate	240% Surcharge
Rate	\$0.33	\$1.42	\$2.82
Premium	\$16,500	\$41,500	\$141,000

Auto Body Shop Repairs with \$500 K in Insurable Earnings (Annual Payroll)

	60% Discount	Industry Rate	240% Surcharge
Rate	\$0.63	\$1.58	\$5.37
Premium	\$3,150	\$7,900	\$26,850

Auto Body Shop Repairs with \$1 Million in Insurable Earnings (Annual Payroll)

	60% Discount	Industry Rate	240% Surcharge
Rate	\$0.63	\$1.58	\$5.37
Premium	\$6,300	\$15,800	\$53,700

Auto General Repairs with \$1 Million in Insurable Earnings (Annual Payroll)

	60% Discount	Industry Rate	240% Surcharge
Rate	\$0.57	\$1.42	\$4.83
Premium	\$5,700	\$14,200	\$48,300

**Small employers are those with less than \$15,000 in premiums over a three-year period. Since they generally have relatively few claims compared to larger employers, WCB reviews the first five years of the previous six years of claims information. These employers are experience rated based on the number of lost time claims occurring in that period, rather than on the cost associated with those claims. Small employers can earn either a 5% discount or 5% surcharge, depending on the number of claims they have experienced. With a Certificate of Recognition small employers can earn up to 25% total discount.*

Due to the concept of collective liability, all employers are affected by the claims experience and trends within their respective rate groups. Although an employer's own performance may improve, the industry rate may increase due to overall performance in the group.

Overview

To develop and maintain a Health, Safety and Environment management system that meets the partnership in injury reduction (PIR) standards and endeavors to meet regulatory compliance, industry requirements and best practices.

Ensure the best business practices are utilized to produce reasonable and practicable outcomes that continually improve. Eliminate redundancies and streamline implementation efforts for the management system and existing business systems. Provide an effective recording and reporting system for contractor management activities.

Our Approach

Work with you, your management team, and your employees in the planning, implementing, training, and implementation of the Health, Safety & Environment management system.

Caracal HSE Consulting will act in a collaborative manner as facilitator to provide support and coaching to you and your team throughout this process.

The implementation of the system elements can be divided into four phases:

1. Preparation
2. Development
3. Implementation
4. Registration

At the end of your implementation, you will have a HSE Management System that will meet your needs to meet ongoing development for industry requirements and compliance with applicable regulations, acts and codes.



Project Design & Implementation

Phase	Steps	Price
Health, Safety, Environment Database		
Our implementation professional will design the cloud space for the Health, Safety, and Environment Management System.	Initial Setup	✓
	User Groups	✓
	Program Administration	✓
	Permissions	✓
Equipment & Chemical Inventories		
Occupational Health & Safety Legislation requires an employer to provide manufacturers specifications and material safety data sheets. The information gathered will provide the basis for operational best practices, personal protective equipment, emergency response, and job task analysis.	Onsite Time/Collecting - 16 hrs	✓
	Scan/Upload File Information	✓
	Additional hours billed at	\$75.00/per hour
Health, Safety Environment Management System Development		
Health, Safety, Environment & Sustainability Policies	Communicate with Management Team	✓
Element 1 Management Leadership Organization Commitment	Gather Employee List	✓
	Organizational Structure	
Element 2 Definitions & Legislation	Gather Applicable Legislation	✓
Element 3 Accident Investigation	Develop Risk Matrix	✓
Element 4 Risk Identification & Assessment	Develop Protocol	✓
Element 5 Risk Control	Develop Protocol	✓
Element 6 Qualifications, Training, Orientations & Competency	Develop Database Gather Available Credentials	✓
Element 7 Emergency Response	Design floor plans, door swings, fire extinguisher placement, etc. Develop site specific emergency response plan	✓
Element 8 Occupational Injury Service	OIS/WCB registration & orientation & developed protocol	✓
Element 9 Program Administration	Protocol Development & File Setup	✓

Why Caracal HSE Consulting?

Caracal Consulting specializes in improving the lives of people who work in your business. Our approach is to focus on your organizations strengths and use a proven and efficient approach to improve workplace performance.

Scope of Work

The Health, Safety & Environment Management System must be documented. Documentation will be developed including the manual, policy statements, and procedures that are suitable and effective for the organizations operations. The various aspects are described below:

1. HSE Management System

Purpose

To demonstrate leadership and commitment to the HSE management system

To be utilized as a business tool to enhance operational performance

- Policy commitment statements endorsed by senior management
- Objectives established with meaningful key performance indicators
- Establish enforceable workplace rules based on risk
- Designate roles and responsibilities
- Allocation of resources to include time, finances, and operational support
- Provide reference material and the basis of documenting performance

2. Best Practices / Work Procedures / Emergency Response Plans / Forms

Purpose

To provide direction to the operating management and employees

- Methods and procedures to support policy statement and core elements
- Planning and performance activities to achieve objectives
- Development of risk ranked procedures referencing compliance requirements, industry supported best practices for training and day to day operations
- Methodology required to manage operations in conformance with specified requirements
- Emergency planning, response, and activities to ensure employees are prepared in emergency situations
- Forms used to report and record HSE related activities, (i.e. hazard identification and control, incident/accident reporting, near miss reporting, inspections, etc.)
- Training presentations, safety meeting materials, criteria to establish attendance, understanding, and competency

Phase I – Preparatory

- a) Assessment of existing operations and existing procedures including the supporting forms, documentation, and work instructions used to determine the basis of existing protocols and gaps in relation to the relative HSE management standards.
- b) Identification of the Management Representative and Safety Committee to develop schedules and assignments for the process.
- c) Identification of hazardous activities and determine control methods for eliminating hazards.
- d) Overview to Safety Committee on the requirements of the industry, the documentation, and implementation.
- e) Prepare draft of the HSE Management System Manual.
- f) Defining of key processes to be used as the framework for preparing safe work practices/procedures.

Phase II – Development

- a) Prepare the work procedures identified to support the health, safety & environment management system. Other employees are asked to describe their jobs and the activities required to do these jobs. Existing procedures and instruction will be used and modified or expanded as needed. The Task Hazard Assessment will be used identify priority items.
- b) Prepare forms required for the HSE management system. Existing forms will be used but changed where required.
- c) Review all the documentation for consistency and compliance with the HSE management system protocols and applicable regulations, acts and codes.
- d) Approval of procedures and work instructions (ongoing/monthly).

Phase III – Implementation

- a) Publish copies of instructions, procedures and forms to be available to all employees via the company computer/database.
- b) Train the trainers to instruct all employees in the requirements of the HSE Management System and the staff's role and responsibilities.
- c) Monitor the implementation and coach personnel on the requirements to meet objectives.

- d) Assist the audit team in performing internal checks for success/site inspections.
- e) Initiate management reviews to ensure the management system is effective.

Phase IV – Registration

- a) Auditors will be requested to submit quotes to conduct the required audit. Caracal HSE Consulting will assist the organization by providing information, suggestions to meet the PIR requirements and/or internal protocols.
- b) Perform pre-registration assessments to ensure adequate preparation and implementation efforts will meet PIR audit requirements and used as a continual improvement training exercise for the employees.
- c) Caracal HSE Consulting will assist the Safety Committee (if applicable) to answer questions or recommend changes required as per the reviews.
- d) Caracal HSE Consulting will be available for the external audit/review to assist the organization as required.

Roles & Responsibilities

The role of the Caracal HSE Consulting is to provide:

- The proven and practical implementation process preparing and leading your organization to the implementation stage;
- Facilitation, guidance, coaching and support during the implementation of the HSE Management System;
- Objectivity and business acumen.
- Facilitate review meetings with the organizations senior management and Safety Committee;
- Train members of the Safety Committee including the Management (if required) Representative (Safety Coordinator) on the requirements and implementation of the HSE Management System
- Coach and monitor the required level of performance for successful implementation and continual improvement

The role of the organization is to:

- Provide the necessary resources required for the implementation of the HSE Management System;
- Introduce the organizations employees to the Health, Safety & Environment Management System initiative;
- Contribute all relevant information in your possession or readily available to you;

- Provide business experience particularly with regard to the particulars of the operation of the business;
- Be the source of all value judgements and of all business decisions that could impact the organization's future success;
- Make the required personnel available to all activities of the Safety Committee;
- Understand the HSE Management System requirements
- Work in collaboration with the consultant to write all required documentation;
- Implement the HSE Management System according to the implementation plan that was agreed to;
- Train personnel on operations where HSE requirements apply

Schedule

Meetings will be scheduled for mutually convenient times and we will typically use your facilities for these sessions.

We recognize that to minimize disruption to your business while still bringing a focus to the HSE initiatives, Caracal HSE Consulting will be involved in the development stages.

Value Added

Due to the experience and expertise of the consultants at Caracal HSE Consulting, there may be opportunities to provide additional insight during the project that overlap with contract requirements. Examples include:

- Integration of quality management requirements where appropriate
- Access to public seminars / courses provided by Caracal HSE Consulting
- Transparent online reporting throughout the project
- Strong alliances with certifying partners
- Interface and collaborate with other Caracal clients
- Collaborating through a network of companies and dealing on health, safety, environment, and quality issues
- Newsletter discussing industry trends, changes to standards and challenges facing companies today

CONSULTING SERVICES CONTRACT

This Agreement made in duplicate this ____ day of _____ 2015.

BETWEEN: Caracal HSE Consulting
149 Lynx Road North
Lethbridge, Alberta, Canada T1H 6Z5
(Hereinafter called "Caracal HSE Consulting")

AND Name: _____
Address: _____
(Hereinafter called the "Client")

The Client has requested Caracal HSE Consulting to perform management –consulting services as set out below and Caracal HSE Consulting has agreed to perform such services, subject to the following terms and conditions:

1. Caracal HSE Consulting agrees:
 - a. To provide the services of an employee or agent of Caracal HSE Consulting (the "Consultant"), as follows:
 - i. Services to be provided:

To provide consultation, documentation preparation and training as directed. To monitor and report on the status of the HSE Management System.
 - ii. Term: Commencement: _____
Est. Completion: _____
 - b. To treat confidentially all information concerning the affairs of the Client except where the nature of the services requires Caracal HSE Consulting to disclose such information, in which case the Client hereby consents to such disclosure, or unless required by law.
2. The Client agrees:
 - a. To pay Caracal HSE Consulting fees in the amount and in the manner described herein:

Fees

Option 1 _____

Ongoing Monthly Support		
a) Develop support material, automotive lift training, WHMIS training, emergency response table tops, risk assessments, conduct monthly safety meetings, etc.	Design Training Support Material	✓
	Monthly Safety Meetings	✓
	4 Hours / Month	\$250

Additional hours billed at \$75.00 per hour plus GST

Option 2 _____

- Fees: \$85.00 per hour plus GST (Technical Writing/Administration)
 \$110.00 per hour plus GST (Consulting)
 \$125.00 per hour plus GST (Outside Consultants)
 \$200.00 per hour plus GST (Incident / Accident Investigation)
- i. Payment Schedule Monthly invoicing
- ii. Expenses
- | | |
|--|--------------------|
| Air Travel, Rental Car & Accommodation | - At cost plus 10% |
| Mileage – Company Vehicle | - \$0.95 per km |
| Meals (no receipts) | - \$65.00 per day |
- b. Agrees to waive all claims against Caracal HSE Consulting and the Consultant(s) for any loss or damage arising from, relating to or in connection with this agreement unless such loss or damage is the result of wilful negligence on the part of Caracal HSE Consulting and or their agent or consultant.
3. Caracal HSE Consulting and Client agree:
- a. That Caracal HSE Consulting shall make whatever contacts in the business community deemed necessary in circumstances to facilitate the provision of the services.
- b. That the services terminate this agreement prior to the completion of the services upon 30 days written notice. In the event of such early termination, the Client shall pay to Caracal HSE Consulting such fees as may be established by Caracal HSE Consulting acting reasonably, for the services rendered to the date of receipt of such notice.
4. Either party may terminate this agreement prior to the completion of the services upon 30 days written notice. In the event of such early termination, the Client shall pay to Caracal HSE Consulting such fees as may be established by Caracal HSE Consulting acting reasonably, for the services rendered to the date of receipt of such notice.
5. The terms and conditions of this agreement are subject to change if the states of the business and/or activities conducted are significantly changed from the date of this agreement.
6. This agreement constitutes the entire understanding between the parties and nothing else is implied or promised.

 Name of Client

 Caracal HSE Consulting

 Signature

 Signature