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insight

Insight aims to provide useful information, links and tips in the areas of Risk Management, Work Health and Safety, Business Continuity Management, and other areas relating to management systems and corporate governance.

Employer obligations in managing 'Work From Home' arrangements

QRMC RISK, SAFETY AND BUSINESS ADVISORY CONSULTANCY



The novel coronavirus (SARS-CoV-2) pandemic is posing unique business continuity and human resources management challenges to organisations.

Many organisations are moving rapidly to transition their workforce out of centralised offices and into home-based work.

However, it is important for all employers to understand that their WHS obligations to employees apply equally in the home-based workspace.

Some of these obligations are self-evident – such as ensuring that the worker has appropriate equipment and an ergonomically acceptable workstation setup. This can be achieved by conducting a risk assessment of the home workspace.

Other obligations may be less obvious, such as supporting the mental health of workers in isolation from their usual practices, colleagues and networks.

It is important to ensure regular communication is maintained with employees working remotely. This should include virtual team meetings as well as ad hoc contact to ensure employees are coping and check if any additional support is needed.

QRMC can assist employers to manage the mass transition of workers from office-based to homebased work arrangements by conducting virtual home office inspections and risk assessments, and developing work-from-home procedures and checklists. Some more detail is <u>available here</u>.

Please <u>contact QRMC</u> for more information.

Due Diligence – what it means and what needs to be done

Last year a number of Royal Commissions placed the actions of Directors, Executives and 'Officers' into the spotlight. Drawing upon the findings of these there are some interesting learnings; there is a need for Boards and Executive Management to effectively manage risks, receive the right information about (non-financial) risks, and seek out information to enable assurance and verification.

Considering all of this, and the emergence (and application) of 'Industrial Manslaughter' Legislation it is understandable that the upper echelon of Directors and Executive Management in many organisations are now becoming very interested in their Due Diligence requirements.

This is the first in our series of articles that explores the 'Officers' Due Diligence requirements as imposed by the WHS Act.

For ease and to avoid any confusion, we will consider an 'Officer' to be any director, company secretary or anyone who makes, or participates in making, decisions that affect the whole or substantial part of the business, or who has the capacity to affect significantly the corporation's financial standing.

To paraphrase Sec 27 of the WHS Act , the 'Officers' are required to take 'reasonable steps' to:

- Firstly, acquire (and maintain) an **understanding** of WHS [Sec 27 (5)(a)] and an (effective) understanding of the organisation's operations and the hazards and risks [Sec (5)(b)]
- Then, ensure appropriate resources and processes are used to eliminate or minimise the WHS risks [Sec 27 (5)(c)] and ensure processes are in place for the timely receipt, consideration and response to incidents, hazards and risks [Sec 27 (5)(c)]
- And finally, implement **assurance and verification** process to ensure that hazards and risks are being appropriately controlled and that legal requirements are being fulfilled (Sec 27 (5) (e) and (f)]

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So, to explore the **understanding** component in more depth.

What does it mean?

The Board and Executive Management, as 'Officers' of the organisation, must obtain up to date WHS knowledge of WHS duties / requirements, as well as those relating to industry best practice.

Then this needs to be coupled with an understanding organisation's operations and the

hazards and WHS risks associated with the Operations (particularly those relating to higher-risk activities); and the controls for these risks.

What needs to be done?

Officers should take the following steps:

- Attend WHS training at board level exploring Officers' duties under the WHS Act;
- Receive briefings on relevant WHS Matters from subject matter experts;
- Continually learn and monitor changes to WHS legislation, codes of practice, standards and management practices affecting the organisation;
- Be aware of benchmark industry standards and practices for WHS risk management;
- Meet regularly to discuss WHS issues;
- Review the strategic WHS risk registers (with a focus on the higher risks) and identify and understand the control measures that are used to manage the hazards and risks associated with the Operations;
- Review and assess information regarding WHS incidents (including trends) and any linkages to the identified risks; and
- Review and assess WHS performance reporting, including the lead and lag indicators.

Please <u>contact QRMC</u> for more information.

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