

Risk Improvement Management

Risk Improvements

Risk Improvements (RI) provide an important component to the overall risk management process by identifying risk improvement opportunities that may reduce the likelihood and/or severity of a loss. RI are not intended to imply compliance with Regulations or related Standards, although may be based on best industry practice and relevant Australian and internationally recognised standards. Completion of RI does not imply that further risk improvement is not possible, as the review of hazards and exposures should be a continuous process to identify changes.

Prioritisation & Categories

Each RI is prioritised to highlight the importance of completing. The priority of a RI is dependent on the perceived likelihood of a loss event, and in the event of a loss, the severity such as property damage or liability. The priorities are further outlined below:

Critical – Risk Improvement to address significant deficiencies in relation to the level of controls where they do not meet best industry practice or internationally recognised standards. Applies where there is a significant likelihood of a loss event and in the event of a loss, the severity is expected to be significantly higher in comparison to where adequate controls are in place.

Important – Risk Improvement to address deficiencies in relation to the level of controls whereas they do not meet best

industry practice and internationally recognised standards. Deficiency may increase the likelihood of a loss event, or severity in the event of a loss event.

Advisory – Risk Improvement aligns with industry best practice, with a low likelihood and severity in relation to loss exposure.

Prioritised RI are additionally related to either Human or Physical Element attributes, which determine the expected time to complete. For example, Human Element typically relates to a procedural change, whereas a Physical Element RI relates to a physical change, which may require capital expenditure.

Finally, RI will have a Category applied, such as Construction, Occupancy, Protection or Exposure. These Categories are used to provide insights into Risk Improvement opportunities across various industries.

Risk Improvements - Providing Updates

With the introduction of RiskAdvance, Agents and Policy Holders now have the ability to directly update RI through the Risk Improvement Portal.

When providing an update, please ensure that you provide details of the action taken within the notes section of the improvement. There is also the ability to add attachment and photos to provide further evidence of the action(s) taken.

Risk Improvement Status - Quick Guide

The below table outlines the status' that are available for an Agent/policy holder to select when updating each of the individual RI.

Please ensure you familiarise yourself with each status and ensure that the most appropriate status is chosen when making your selection.

Status	Description	Example
New	New Risk Improvement issued in RiskAdvance by a Risk Engineer or Underwriter	Risk Engineer recently completed a survey and raised a new Risk Improvement.
In Progress	Progress has been made towards the completion/ implementation of the Risk Improvement or the policy holder has indicated intention to complete by the target date.	Policy holder has engaged a third party to assist with the completion of the Risk Improvement, with expected completion date being indicated.
No Progress	No progress of Risk Improvement evident, or no response from the policy holder.	Policy holder has not progressed Risk Improvement since being issued/last reviewed or has not responded.
Complete	<p>Risk Improvement has been completed. Supporting information (e.g., documentation or photos) has been attached to the risk improvement to verify its completion.</p> <p>Note: where supporting information is not provided, the risk improvement may be confirmed during follow-up survey visits</p>	<p>Policy Holder has actioned a Risk Improvement to implement the Hot Work Permit, confirming that both internal staff and contractors are required to follow this procedure. Attached a completed hot work permit where possible.</p> <p>Or</p> <p>Policy Holder has actioned a Risk Improvement to undertake a hydrant flow test. Flow test results indicate a "pass" with test results being attached in the Risk Improvement portal.</p> <p>Note: where risk improvements require further action, e.g., a hydrant flow test failed, the Risk Improvement status should be updated to "In Progress" and only moved to completed following any related issue being actioned.</p>
Declined	Risk Improvement has been declined by the policy holder.	<p>A Risk Improvement has been raised to install fire detection, although due to the extensive capital expenditure required, the policy holder has declined to implement this Risk Improvement. Where implementation is being considered, "No Progress" should be selected.</p> <p>Note: The underwriter will confirm acceptance or revert the status back to "No Progress" if considered important to implement.</p>

More information

Visit **RiskAdvance website**
or contact your QBE relationship manager.

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