

# PORT & HARBOUR Marine Safety Code

N E W   Z E A L A N D

## Information for SMS Assessment Panels

September 2016

## **Purpose**

The document provides guidance for panel members on SMS assessments.

Part A explains the overall process for assessment and protocols for communication.

Part B describes the requirements of the Code in more detail to guide panel members in carrying out their assessments.

## **Part A: SMS assessment process**

### **General**

The review process allows for some flexibility and each panel may determine the best way to complete the review in consultation with the relevant teams at the review location. This may be affected by the current status of the SMS and any outstanding work required to complete or update it.

The Secretariat has written to the regional councils and port companies whose SMS is to be reviewed requesting confirmation of a suitable date for the review to be undertaken. All communication received will be forwarded to the review panel immediately.

The panel members have been advised of the location to be SMS reviewed and names of the team members by the Secretariat.

All assessments will include a desk review of relevant SMS documentation, followed by a site visit.

### **Reporting**

Panels will prepare a written report following the site visit and present it to the Secretariat. For initial assessments, the completed assessment template should also be included.

All reports will be reviewed by the Working Group who will issue them as a draft to the relevant council and port operator, seeking comments.

Comments received will be considered by the panel and the report finalized, before it is issued by the Working Group.

### **Panel meetings**

In the spirit of partnership and shared responsibility for the implementation of the 2016 Code the review panels are expected to be self-managing, although support will be provided by the Secretariat. This is a change from the previous model where the bulk of the work was undertaken by Maritime NZ. This is a transition period and some greater degree of reliance on Maritime NZ may be necessary in the early stages.

The first panel meeting is intended to be used to agree an action plan for the review. This meeting may be conducted by conference call if necessary to reduce travel costs.

Other suggested actions:

- Nominate a panel leader

- Determine what information is needed in order to conduct the assessment and advise Secretariat.
- Check the SMS assessment template to ensure all panel members understand the requirements for the assessment and tasks are allocated to each panel member.
- Confirm contact details with the council and port operator whose SMS is being assessed.
- Consider and review any information that is available to assess the current state of SMS completeness and readiness for assessment.
- Establish a plan for the assessment (this includes the timing of the desk review, site visit, feedback and final report), information to be gathered, assignment of tasks and agreement on timelines taking into account other commitments of all parties involved in this process. Consider an initial contact with the council and port operator to establish the degree of readiness and provide an outline of the assessment process.
- Do not assume that the key contacts at the port or council have been involved in a Code SMS assessment previously. The aim is to provide a supportive, collaborative approach to the assessment. Consider the usefulness of suggesting a “buddy” with previous experience of conducting SMS assessments to assist them to prepare for the review before it takes place.
- Consider a timeline with deadlines for all parties involved as the final report should be completed and delivered to the Secretariat within a reasonable time. The Secretariat is required to prepare a report to the Steering Group which meets 3 times per year.
- Discuss the programme with the regional council/port operator and seek agreement on the proposed timelines for the SMS assessment, including requesting relevant information identified by the panel as needed for the assessment.

## **Communication Protocols**

- Respect the confidentiality of the information provided to the panel during the assessment process. Information used for the purposes of assessing the SMS and to assist the respective council and port operator may be of a sensitive nature (commercial or otherwise) and should be treated accordingly.
- Panel members should copy each other on all communications.
- The team leader should be the primary point of communication between the panel and the council /port operator and should coordinate the activities of the panel.
- Panel members should keep notes of all discussions and phone calls of their meetings and with the council/port operator. These should be forwarded to the Secretariat once the final report is completed.
- All communications should be clear regarding the status of ongoing work and actions allocated for completion
- Any concerns about progress should be notified to the Secretariat as soon as possible.
- The Working Group is available to assist the panels where intractable issues arise or to provide advice on any implementation issues relating to consistency arising during the review. These should be forwarded through the Secretariat.

## **Part B: SMS requirements**

### **Objectives of the SMS assessment**

The primary objective of the assessments is to confirm that the SMS for a particular port/harbour meets the requirements of the Code. More specifically, the objectives are to establish:

- That the arrangements, measures, procedures and processes contained in the SMS are sufficiently robust, credible and effective to manage the risks, and reflect best practice, both on the regulatory side (councils) and also on the operational side (port companies)
- That the SMS is underscored by effective working relationships between the parties
- That there are indicators of real ownership of and commitment to the SMS at all levels of the regional council and port company

The assessment is not just a box-ticking exercise, but should provide an assurance that port and harbour marine safety is being managed in accordance with an agreed national standard.

### **Initial assessments**

For initial assessments (where the SMS has not been previously approved or confirmed as Code compliant under the original scheme - Fiordland, Taharoa, Otago), the panel reviews submitted SMS documentation. Following this, further information or clarifications may be requested. The panel then works through and completes the standard assessment template and provides it to the port/regional council ahead of the site visit.

A site visit should not be undertaken until the panel is satisfied the SMS is sufficiently complete and workable, and considers both the council and port operator are in a position to satisfactorily demonstrate the working of the SMS.

The site visit should focus on clarifying matters raised in the desktop assessment and a sampling of evidence to demonstrate that the SMS is consistent with the requirements of the Code, recognising that some elements of the SMS may still be a work in progress.

The panel needs to form a clear view as to whether the SMS as it stands meets the requirements of the Code in all respects and that this should be stated explicitly in their report.

### **Revisit or subsequent assessments**

For a revisit (previously approved or confirmed as Code compliant - Tauranga, Gisborne, Napier, Waikato etc) the panel requests the port operator and council to provide a copy of their current SMS manual and other relevant documentation, for the panel to review. The panel will also consider any assessment reports from previous site visits.

Panel members should familiarise themselves with the manual and (if appropriate) provide some written comment before the site visit, but a written assessment is not required. Given the SMS is well established, the site visit should focus on how the SMS is working, seek evidence that the system is being followed and is operating effectively, with evidence of continuous improvement. It should also focus on any significant changes (to the risk assessment and consequently the SMS) since the previous visit. Where there have been changes of personnel in key SMS roles the impact of this should be considered. The panel should follow up on any matters that were raised in previous visits and should make recommendations as it sees fit.

## Assessment template

A template has been prepared to assist in documenting the assessments. The template is largely unchanged from that used by MNZ for SMS approvals in the past. It is intended to:

- Ensure a consistent approach in the way that the adequacy of SMS is assessed by
- Guide the assessors in the assessment process
- Guide regional councils and port operators in developing their respective SMS and documenting them
- Ensure transparency by linking the assessment criteria to the specific requirements in the Code and providing a record of the judgments made and the basis for those judgments

The template is also intended to be used by councils and port operators to carry out their own annual self-assessments and SMS reviews.

## Site visit

Once the panel has determined that the SMS is sufficiently complete (in the case of an initial assessment) or has completed its review of SMS documentation (in the case of a previously approved or confirmed SMS), then the panel will then conduct a site visit to meet with both the regional council and port company.

The intent of the site visit is to explore the SMS in further detail with both organisations, look at operating procedures and records, gauge the level of engagement with the process and generally to confirm that the SMS as described is capable of achieving the objectives as laid out in the Code.

Where there are any uncertainties about whether the SMS meets the requirements, the panel should use the objectives stated in the Code as the point of reference.

At the conclusion of the site visit, the panel should feel free to offer any informal feedback, observations or suggestions to the port and council attendees as it feels appropriate, ahead of preparing its formal report for consideration by the Working Group. Alternatively the panel may wish to confer and consider the information received and impressions formed first before offering any comment. As noted above the report will be issued by the Working Group, not the panel itself.

Site visits will be limited to one working day, though depending on the location it may be necessary to overnight before or after to ensure there is sufficient time to cover all that is required.

The approach used successfully in the past has been to cover the Council first and discuss their part of the SMS and then to cover the port operators part of the SMS next - this may involve meetings and reviewing records at their respective offices. However there is value in both port personnel (marine manager and pilots) and council personnel (harbourmaster, deputy and other staff) being involved in both sessions.

## Documenting an SMS

Port operators and councils should determine how best to document and present their SMS.

There are no fixed rules about how an SMS should be documented. This may be done in different ways, reflecting that harbours and port operations are all different, and that regional councils and port companies manage their regulatory functions and business operations in

different ways. The complexity of the SMS will reflect the complexity of the operations and activities it manages.

The various elements of the SMS may reside in different places and link into or be part of wider organisational systems e.g. the health and safety system, the financial system, operational management systems, quality or environmental management systems.

One approach to documenting an SMS is to prepare an “exposition” or high level overarching document which describes the system in overview, identifies all the elements and how they all fit together.

Regional councils and port should ensure that their SMS is integrated with their business processes and management systems. It should be kept simple so that it can be easily understood by all employees and does not become unwieldy and cumbersome.

## Contents and scope of SMS

Part 3 of the Code describes the contents and scope of SMS. Relevant excerpts from the Code are included below: ***Councils: elements of an SMS***

*A council's harbour SMS should include the following:*

- *a Code Application Assessment that determines where the Code will be applied within the region – this should be documented in a simple statement outlining where the Code is to be applied and describing the process by which this was decided;*
- *the harbour risk assessment, which identifies, assesses and prioritises risks;*
- *a harbour safety policy;*
- *a harbour safety plan, including port safety plans where applicable – this identifies:*
  - *roles and responsibilities,*
  - *describes how the risks will be manage and by whom, and*
  - *explains the review and audit system;*
- *a statement of the duties and powers of councils, and the duties of port companies with regard to establishing a standard for safe marine operations;*
- *memoranda of understanding with port operators, marine service providers and other relevant organisations as required;*
- *external and internal delegations;*
- *how bylaws and directions will be enforced, and confirmation that adequate resources are available to carry out this work;*
- *standard operating procedures to:*
  - *ensure that risk control measures are established and maintained;*
  - *regulate the safe arrival, berthing, departure and movement within the harbour of all ships;*
  - *protect the general public from dangers arising from marine activities within the harbour;*
  - *enable the Council to carry out all its functions with special regard to their possible environmental impact;*
  - *prevent acts or omissions that may cause personal injury to employees or others, or damage to the environment; and*
- *emergency response plans.*

Where there is no commercial port or port operator, the Council's SMS should also cover the management of any marine services, and other functions it may perform directly to ensure marine safety in the harbour.

### ***Harbour safety policy***

For any harbour, the Council's documented SMS should include a statement of harbour safety policy. The policy outlines how the Council will undertake and regulate marine operations in a way that safeguards the harbour, its users, the public and the environment.

The harbour safety policy makes a commitment to:

- use the Code and its supporting guidelines as a standard against which the council will measure itself and be measured by others;
- ensure that the relevant assets of the harbour are managed safely;
- enforce bylaws and harbourmaster directions appropriately;
- ensure that staff are properly trained for emergencies and contingencies;
- identifies measures to address conflicts of interest;
- adequately resource the management of port and harbour navigation safety.

The policy is published, both to demonstrate the Council's commitment to it, and also to ensure the involvement of harbour and port users.

A council's safety policy should promote a positive safety culture, fostered by the visible and active leadership of senior management. Its aim should include the motivation and empowerment of staff to work safely – not just to avoid accidents. The policy and the procedures relating to it are underpinned by effective staff involvement and participation, and sustained by effective communication and training.

### ***Port operators: elements of an SMS***

A port operator's SMS should complement the harbour SMS. It should contain:

- a port safety policy committing the operator to undertake marine operations according to the operator's legal obligations and the Code;
- the port risk assessment, if this is not part of the wider harbour risk assessment;
- a port safety plan, which identifies roles and responsibilities, describes how risks will be managed and by whom, and explains the review and audit system; and
- standard operating procedures to:
  - ensure that risk control measures are established and maintained;
  - ensure the safe arrival, berthing, departure and movement within the harbour of all ships;
  - protect the general public from dangers arising from marine activities within the harbour;
  - enable the port operator to carry out all its functions with special regard to their possible environmental impact;
  - prevent acts or omissions that may cause personal injury to employees or others, or damage the environment.
- Emergency response plans.

## ***Harbour safety plans***

*Port and harbour safety plans describes how risks are identified and managed at both council and port operator level. The respective plans of both organisations should describe:*

- *roles and responsibilities of all parties – where functions are delegated or contracted out, there should be confirmed arrangements in place for this;*
- *how the risk assessment is reviewed and kept up to date, including any triggers for review – there should be evidence of this process working in practice and it should be clear who is responsible for maintaining the risk assessment;*
- *how performance is monitored and reported – for example, how the Harbourmaster reports to the council, or marine service providers report to port operator management;*
- *how and when the SMS will be reviewed and updated, and any arrangements for ongoing auditing;*
- *the system for recording accidents, incidents and occurrences – how these are followed up, and how this feeds back into the risk assessment, as well as into policies, procedures and operating practices;*
- *a list of matters that standard operating procedures apply to, both at the council level and at the port operational level – this provides assurance that comprehensive risk management provisions are in place and that the scope of those provisions is clear;*
- *how training needs are identified, what is provided, how this is undertaken and documented;*
- *a clear process for change management, including the use of new technology and/or equipment – how the risks from new operations or changed conditions will be assessed and those new risks managed, possibly as part of the ongoing risk assessment process;*
- *a programme of future work, if applicable, identifying actions to be undertaken in response to risks identified or changes to operations;*
- *the provisions made in relation to the following items, where applicable:*
  - *hydrography*
  - *prevailing and forecast conditions*
  - *aids to navigation*
  - *anchorage*
  - *wrecks and abandoned ships*
  - *works in harbours*
  - *harbour communications and traffic management*
  - *port passage planning and guidance*
  - *pilotage and pilotage exemptions,*
  - *marine services including tugs*
  - *berthing*
  - *dangerous goods and harmful substances,*
  - *emergency response*
  - *marine pollution and ships in distress.*

*Appendix 1 contains further information about good practice in relation to these activities and how they could be addressed in the SMS.*

### ***Measures of SMS performance***

*When an SMS functions effectively:*

- *there is clear evidence of ownership of the SMS at the top level of both the Council and port operator;*
- *delineation of navigation safety responsibilities within the organisations and between them is clear;*
- *relevant staff within each organisation are familiar with the SMS and their roles in it;*
- *staff are qualified and competent to do their jobs;*
- *there is a functioning harbour safety plan and/or manual that is regularly reviewed and updated;*
- *regular and effective communication between the Harbourmaster and port operators takes place;*
- *their working relationships are documented in the manual and function well; and*
- *there is evidence that incidents involving ships in the waters of their jurisdiction are reviewed and any risks reassessed.*

*When carrying out their review, panels may also look for other evidence of commitment from the council and the port operator to the management of navigation safety, and to the Code. A council's long-term community plan or annual plan, and the port operator's annual reports or website are likely places where commitment to the Code would be publicly visible.*

## Code implementation and oversight – roles and activities (review panel ones highlighted)

Councils and Port Operators	Review panels	Working Group/Secretariat	Steering Group	CEs and boards/councils
<p>Monitor, audit and review their own SMSs</p> <p>Report to their management on the performance of their SMSs</p> <p>Provide information on above to Steering Group (upon request?)</p>	<p>Conduct SMS reviews and site visits in accordance with agreed annual review programme</p> <p>Prepare site visit reports and recommendations for Working Group</p> <p>Provide input to the Working Group on any issues</p>	<p>Develop the annual review programme and assign panels</p> <p>Review all site visit reports and endorse recommendations</p> <p>Issue each site visit report and recommendations to the relevant port and council</p> <p>Review national performance and report on annual review programme to Steering Group and flag any issues</p> <p>Collect and analyse data and intelligence and prepare annual report on Code implementation</p> <p>Carry out Code reviews and make recommendations to the Steering Group</p> <p>Facilitate the development of guidelines and other material where necessary</p>	<p>Agrees and endorses the annual review programme</p> <p>Receives all site visit reports and recommendations</p> <p>Discusses any issues arising from the review programme and raises with individual ports or councils and/or with their respective constituencies collectively as appropriate</p> <p>Reviews annual report and agrees on further actions and initiatives. Endorses and issues annual report</p> <p>Group members report back to their respective constituencies (CEs, boards, councils, MNZ Authority) on Code implementation</p> <p>Communicates with the sector and convenes national meetings of stakeholders (at least annually) to discuss Code</p> <p>Signs off on any Code reviews and guidelines</p>	<p>Note the performance of their respective SMSs and take action accordingly</p>