

Risk Assessment & Self Inspection

Understanding the Risk

An effective self-inspection program will ensure that all protection systems are in proper working order and should be able to detect potential loss conditions and include a process for corrective action.

Essentials of a self-inspection

Program

- Self-inspection program should form part of the business's Loss Prevention Program
- The self-inspection program should be developed by persons who are familiar with the trade occupancy and the associated hazards.
- It should be designed to identify potential fire loss conditions and ensure that all fire protection systems and equipment are in full working order; they are serviced and maintained in accordance with the manufacturer's guidelines.
- The workplace should have a policy to ensure that good housekeeping standards are attained / maintained and that management procedures are adhered to by employees. This should be well publicized in order that everybody is aware of it.
- The inspection results should be documented and submitted to the business's management for review. This to ensure adequate corrective action is undertaken when required.
- The report should be specific to the individual facility.

Suitable Persons

The inspection should be carried out by a responsible person, who has been provided with adequate training in recognizing potential fire loss conditions or fire protection deficiencies. The following points should be considered:-

- Employees should be familiar with the entire plant / department and its protection systems.
- Must be able to recognize common defects in housekeeping.
- Must be able to identify conditions that could increase the fire hazard or severity of a fire.
- The designated staff should have the management's full support.

Frequency

Inspections should take place weekly and take the form of a walk-through of all parts of the premises including yards etc. checking for abnormal or unusual conditions. Inspections can be extended from weekly to monthly for less hazardous occupancies. Inspections should be performed during normal working hours, as this allows the inspection to be undertaken whilst it is operational.

Reports and Records

The findings of each inspection should be documented in the form of a report that is filed for future reference. The report should be signed and dated by the person who completed it. Each report should be reviewed by senior management in order that the findings can be reviewed and any action required taken. The reports should be analyzed to identify any underlying causes, frequency of occurrence and costs of rectification. Simply correcting a reported defect over again is not the desired objective of a self-inspection program. Any deficiencies highlighted in the report should be corrected with the minimum delay.

Monitoring the Corrective Actions

The deficiencies reported in the inspection report will probably be corrected through housekeeping or maintenance activities. The monitoring of corrective actions can closely follow the processes associated with any other breakdown or emergency repair. Once a deficiency has been actioned a simple report or counter-signature of the original report by senior management is sufficient. This document should be kept on file for future audit purposes.

For further information, contact your local AIG Global Property Engineer.

American International Group, Inc. (AIG) is a leading international insurance organization serving customers in more than 130 countries and jurisdictions. AIG companies serve commercial, institutional, and individual customers through one of the most extensive worldwide property-casualty networks of any insurer. In addition, AIG companies are leading providers of life insurance and retirement services in the United States. AIG common stock is listed on the New York Stock Exchange and the Tokyo Stock Exchange.

AIG is the marketing name for the worldwide property-casualty, life and retirement, and general insurance operations of American International Group, Inc. For additional information, please visit our website at www.aig.com. Products and services are written or provided by subsidiaries or affiliates of American International Group, Inc. Not all products and services are available in every jurisdiction, and insurance coverage is governed by actual policy language. Certain products and services may be provided by independent third parties. Insurance products may be distributed through affiliated or unaffiliated entities. Certain property-casualty coverages may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds.

The information, suggestions, and recommendations contained herein are for general informational purposes only. This information has been compiled from sources believed to be reliable. No warranty, guarantee, or representation, either expressed or implied, is made as to the correctness or sufficiency of any representation contained herein. Reliance upon, or compliance with, any of the information, suggestions or recommendations contained herein in no way guarantees the fulfillment of your obligations under your insurance policy or as may otherwise be required by any laws, rules or regulations. This information should not be construed as business, risk management, or legal advice or legal opinion.



Bring on tomorrow