

## Property Inspection Guidelines

**Lines of Business:** Property, General Liability, Worker's Compensation, Public Official Liability

**Risk Control Strategy/Key Issues:** Provide a tool to help identify potential hazards around your organization's property, autos and employees. Identify unsafe conditions and actions, and provide checklists to focus improvement efforts on safety.

### Suggested Program Elements:

- Evaluating your property and work for safety hazards
- Determine what needs to be inspected.
- Determine what actions need to be evaluated
- Determine what aspects of each element need to be examined
- Determine how often evaluations should be conducted.
- Determine who will conduct the inspections.
- Determine what records or reports are needed

### Seven-Step Benchmarking Model:

1. Identify what to benchmark.
2. Determine what to measure.
3. Identify who to benchmark.
4. Collect the data.
5. Analyze data and determine the gap.
6. Set goals and develop an action plan.
7. Monitor the process.

### EVALUATING YOUR PROPERTY AND WORK FOR SAFETY HAZARDS

One of the best ways to reduce the potential for insurable losses arising on or from your premises is to ensure that unsafe conditions and practices do not exist and are not developing at your facility. Unsafe conditions and practices can have a negative impact on all lines of insurance coverage, including workers' compensation, auto liability, general and premises liability, and property.

Simple, self-inspection efforts, utilizing a convenient but appropriate checklist, are a great way to periodically monitor the premises for unsafe conditions and unsafe acts, including acts of omission (such as failure to correct a deficiency). There is no time like the present to complete a safety inspection of your entire facility, including offices, garages, storage facilities, work areas, attics, basements, and yards to identify, evaluate, assess, and correct unsafe conditions and acts – before a loss occurs.

To assist you in this effort we have included we have included some simple property inspection checklists for different aspects of your organization that can be used as is or adapted by you to suit your needs. The following are six steps to help you get organized.

**1. DETERMINE WHAT NEEDS TO BE INSPECTED.**

Make a hazard and risk inventory of every building, piece of equipment, system, and process that has the potential for loss. Use the attached checklists, modified to suit your operations, as well as past losses and insurance claims to help you with this step.

**2. DETERMINE WHAT ACTIONS NEED TO BE EVALUATED.**

Identify hazardous actions sometimes done by employees which should be monitored during the self-inspection. Review not only what is done, but also what should be done, but is not.

**3. DETERMINE WHAT ASPECTS OF EACH ELEMENT NEED TO BE EXAMINED.**

Divide the elements in Step One and Step Two into subparts to determine which objects, parts, or work steps are the most dangerous or likely to fail.

**4. DETERMINE HOW OFTEN EVALUATIONS SHOULD BE CONDUCTED.**

The frequency of inspections should be determined by the potential for a severe loss, the risk of serious injury, how quickly an item or process can become unsafe, and the past history of problems associated with the specific facility, item, process, act, or omission. The more hazardous the situation, the more frequently inspections should be conducted.

**5. DETERMINE WHO WILL CONDUCT THE SELF-INSPECTIONS.**

Different personnel should be used for different types of inspections. For example operations personnel can complete daily inspections; supervisors can do weekly inspections; and safety committees can perform monthly inspections and evaluations.

**6. DETERMINE WHAT RECORDS OR REPORTS ARE NEEDED.**

A record of each inspection should be maintained. Inspection records and actions taken should be retained for review and comparison for trends. Inspection records should be retained for a minimum of three years unless directed otherwise or by law.

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<b>PROPERTY INSPECTION CHECKLIST</b>	<b>YES</b>	<b>NO</b>
Aisles are kept free and clear of materials & obstructions.		
Rags & combustibles are kept in self-closing containers.		
Exit doors and paths are unobstructed and clearly marked.		
Dusty areas are vacuumed frequently.		
Pallets are properly stored and limited to correct number & height for inside and outside storage (see NFPA requirements).		
Trash is removed at the end of the day		
Dumpsters are located away from buildings.		
Flammable liquids are stored according to fire codes		
Flammable liquids used in shops, plant, or garages are limited to a one-day supply.		
Hazardous materials are properly stored, contained, and labeled; and the area is ventilated. Incompatible chemicals are separated.		
Electrical cords and outlets are undamaged.		
Compressed gas cylinders are secured.		
Smoking is restricted to designated safe areas.		
Welding, brazing, and cutting are done only in designated areas. A fire watch & hot work permit process are present.		
Three feet of clearance exists in front of all electrical panels (120 volts to 220 volts).		
Proper space is maintained below, above, and around sprinkler heads, fire hoses, and fire extinguishers.		
The sprinkler control room is accessible to authorized personnel.		
The sprinkler system is serviced quarterly.		
A wrench and spare sprinkler heads are kept on the premises.		
Fire extinguishers are proper for the hazards in the area and are mounted, accessible, & inspected monthly.		
Employees have been trained to use a fire extinguisher.		
Heat and/or smoke detectors are present and working.		
The fire alarm is tested at least annually.		
Fire doors are in operating condition & close properly.		
Emergency phone numbers are posted.		
The local fire department has visited the operation, building, storage area, etc., within the past year.		
Parking areas, entrances, & walkways are in good condition, free of trip and fall hazards. Lighting is adequate.		
Brush and overgrowth are cut away from the building.		
Adequate security is provided relative to use and liability.		

The structural integrity of the building, roof, windows, fences, etc., is checked annually and maintained.		
Piping systems are checked for leaks, damage, labeling.		

<b>WORKERS' COMPENSATION INSPECTION CHECKLIST</b>	<b>YES</b>	<b>NO</b>
Emergency evacuation routes are posted. Exits are marked.		
Employees are aware of evacuation plans and routes.		
Employees wear proper personal protective equipment.		
There is an inspection program for equipment, hand tools, PPE, etc.		
Where appropriate, a hazard communication program is in place.		
All chemicals are labeled. Containers are in good condition.		
An eye wash station is available, where appropriate.		
Aisles and work areas are clean and dry.		
Machinery is guarded properly.		
There is a lock-out, tag-out program in place, where appropriate.		
Employees have been trained in lock-out, tag-out procedures.		
Lock-out devices are available for use.		
Dangerous areas are posted, including protective equipment requirements.		
Sharp objects are protected or warning signs posted.		
Ladders & scaffolding are inspected and well maintained.		
Forklifts and other industrial vehicles are operated safely.		
Only trained and authorized personnel are allowed to operate industrial equipment.		
Repairs are made promptly and in accordance with manufacturer's specifications. "Jury-rigging" is not allowed.		
Pressurized hoses, pipes, and equipment are inspected frequently.		
Laboratories and hazardous work areas are well ventilated.		
Floor and wall openings are secured to prevent falls.		
Tanks, vats, and confined spaces are secured and supervised.		
Rigging and other lift equipment is inspected daily & monthly, as appropriate, and records of inspections are kept for three years.		
Supervision is alert to unsafe acts and conditions & take appropriate action as necessary.		
Emergency arrangements are made with a local ambulance company, and a medical doctor is on retainer.		
Employee training records are kept up-dated and on file.		
OSHA records are kept up-to-date, including material safety data sheets for all hazardous chemicals.		
Certificates of insurance from sub-contractors or other companies doing work on the premises are obtained.		

<b>AUTO &amp; FLEET INSPECTION CHECKLIST</b>	<b>YES</b>	<b>NO</b>
All driver applicants are required to bring MVRs.		
Personal interviews are conducted by management with all prospective driver candidates.		
All driver licenses and references are checked.		
All drivers have annual MVR (DMV) checks and eye exams.		
All commercial drivers (CDL) pass written and road tests.		
All authorized drivers are provided adequate training for the tasks they will be required to perform before they are assigned. Refresher training and testing is conducted.		
Hazards/control measures are adequate.		
All vehicles are maintained free of clutter & kept clean.		
Vehicles are inspected frequently and according to a published schedule. Inspections and maintenance are documented.		
Unless specifically authorized, operators are not allowed to carry weapons in the vehicle.		
Drugs and alcohol are prohibited. Rules are strictly enforced, and abuse is cause for dismissal.		
All vehicle collisions are investigated by management and by the safety committee.		
Pre-trip inspections are completed by each driver. Post-trip inspections are mandatory for bus drivers.		
All vehicles are equipped with appropriate safety equipment, such as flares, flashlights, first aid kits, fire extinguishers, spare fuses, etc.		
If required, the vehicle carries clean-up supplies (e.g., fuel tankers).		
All driver files are up-to-date per dot regulations.		
A mandatory seatbelt policy (with driver pledge) is enforced.		
Designated vehicle storage area is lighted, neat, clean, and secure.		

GENERAL AND PREMISES LIABILITY INSPECTION CHECKLIST	YES	NO
Keys are issued only to authorized personnel and recovered when employee leaves employment – or all affected locks are replaced or re-keyed.		
Parking areas, walkways, aisles, and entrances are lighted and free of slip, trip, and fall hazards.		
All aisles and common areas are kept free and clear of obstructions. Floors are dry and slip resistant.		
All exits are properly marked with lit or illuminated exit signs.		
At least two means of exit/egress are available.		
Emergency lighting is provided, working, and adequate.		
An emergency evacuation plan is posted.		
Generally, guests are kept out of immediate process areas.		
Visitors, contractors, and sub-contractors are required to wear personal protective equipment and clothing if they are authorized to enter hazardous areas of the facility.		
Guests are given a safety overview of the areas they are to enter. In some cases, a written waiver of liability may be requested.		
Guests and non-employees are always accompanied by a facility employee unless granted an exemption.		
No one is refused entry solely on the basis of color, race, religion, age, gender, disability, or other protected class unless it is unsafe for them to do so, appropriate accommodations cannot be made, and refusal is explained.		
Snow removal efforts are in place, including sand and salt.		
Above ground tanks are protected by dikes and are properly marked.		
Below ground tanks are monitored for leaks. Vent and fill pipes are protected from damage.		
Protective posts or barriers are installed adjacent to above ground chemical and/or fuel tanks.		
Handicapped ramps are accessible and clear of hazards.		
Rest rooms are in a sanitary condition.		
Procedures are in place for staff and visitors to report unsafe conditions.		