

POLICY REGISTER

CONTRACTOR WHS MANAGEMENT POLICY

Policy adopted: 27th September 2018 Minute No. 214.9.18

Reviewed:

File Ref: P13-1, S16-10

DOCUMENT CONTROL

| Issue. | Prepared/Revised by and Date | Action/Amendment Description | Approved By and Date |
|--------|------------------------------|------------------------------|---|
| 1.0 | | First Edition | Council Minute No. 214.9.18 (27th September 2018) |
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1. PURPOSE

To ensure a systematic approach for the classification and minimum requirements of contractors and their associated contracts to ensure the effectiveness of the contractor's health, safety and environment management system and to ensure that all risks associated with the contract are identified and managed.

Council has a legislative requirement to ensure compliance to all relevant Health and Safety legislation and this protocol outlines the process and procedures that must be undertaken to ensure mandatory requirements are met.

2. SCOPE

The requirements of this Protocol shall apply to all Council officers responsible for engaging contractors (including labour hire) and other services (consultants).

3. DEFINITIONS

Construction Project - is a project that involves construction work where the cost of works is more than \$250,000 (GST incl.).

Contractor - a person, organisation, their employees or a nominated representative engaged to carry out work for Council in a contract for service arrangement.

Contract for Service - is to complete certain works within the requirements of the tender document

Contractor Categories - categories by which contractors are classified to ensure systems are in place to identify and manage all risks associated with the contract.

Contract Owner - Council Officer designated to manage the development and delivery of the contract and to manage all associated health, safety, environment and quality risks associated with the contract.

Contract Administration - the process of managing the contract and the relationship between Council and the contractor, reviewing and documenting how the contractor is performing or has performed to establish corrective actions and provide a basis for future relationships with the contractor and managing contract related changes.

Project Coordinator - person assigned by Council to achieve the project objectives and deliverables (required for Categories 1 and 2).

Supervisor of the contract - Council Officer designated to interact with the contractor, expedite performance of the contract and ensure that required work types and all specified documentation are completed, and who manages the contract health in terms of scope and specification of the works and related changes, schedule, quality and compliance to Health and Safety systems, plans or processes.

Tender - written offer to complete certain works.

4. ASSOCIATED COUNCIL DOCUMENTS

- Warren Shire Council Contractor Management Procedure
- Warren Shire Council Work Health and Safety Policy

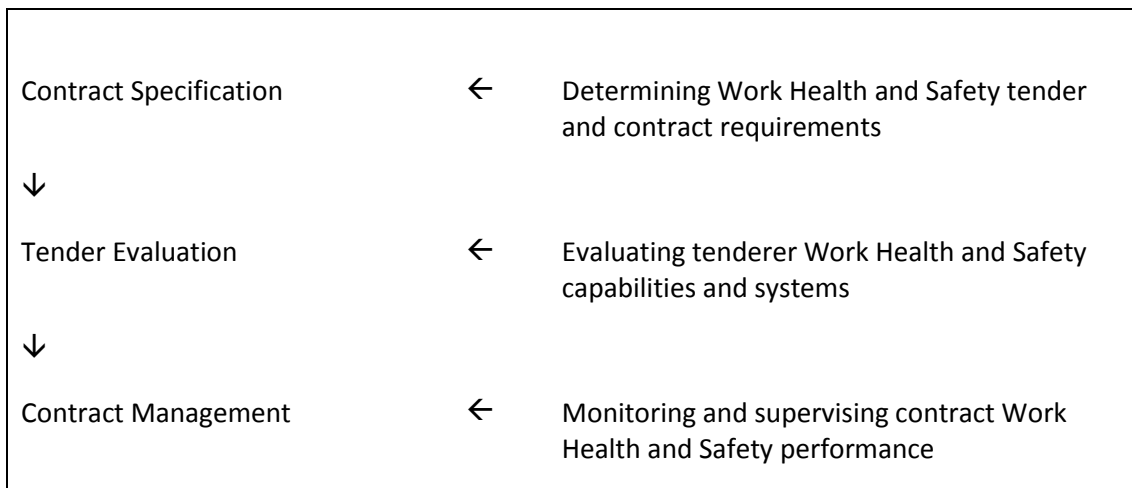
At all times these documents must be read in conjunction with the requirements of this Protocol

5. RESPONSIBILITIES

Contract Owner - responsible for compliance with this procedure.

6. ELEMENTS OF CONTRACT MANAGEMENT

There are three important stages of the contracting process in which health & safety issues must be considered when engaging contractors.



7. CONTRACTOR CATEGORIES

All contracts executed shall be classified into one of the following categories:

Category 1: Principal Contractors – projects / contracts where the cost of works is equal to or more than \$250,000 (GST incl.)

Category 2 Service / Project Contracts – where the contract value is less than \$250,000 (GST incl.) and involves high risk works as defined by legislation. (e.g. telecommunications, electrical works, wet hire of plant, demolition, asbestos, hazardous substances).

Category 3 Service / Project Contracts – where the contract value is less than \$250,000 (GST incl.) and does not involve high risk works as defined by legislation. (e.g. photocopier service, vending machines, on site consultants).

Category 4 Contractors or individuals engaged on temporary contracts to work within existing operations. (e.g. labour hire).

The minimum requirements for each level are shown below:

| Minimum Requirements | Category 1 | Category 2 | Category 3 | Category 4 |
|--|--------------|--------------|--------------|--|
| Evidence of Health and Safety Management System | Required | Not Required | Not Required | Not Required |
| Project / Site Specific Health and Safety Plan | Required | Not Required | Not Required | Not Required |
| Work Method Statements | Required | Required | Required | Not Required |
| Insurances - Professional indemnity - Workers Compensation - Public Liability (\$10mil) - Other as defined e.g. works insurance etc. | Required | Required | Required | Required <i>** labour hire covered through provider</i> |
| Specific Risk Control Plans Asbestos Demolition Traffic control other | As required | As required | As required | Not Required |
| Licences, permits, competency certificates, authorities | Required | Required | Required | Required |
| WSC Site Safety Rules | Required | Required | Required | Required |
| WSC Contractor Corporate Induction (handbook) | Not required | Required | Required | Required |
| WSC Site specific induction | Required | Required | Required | Required |
| Contractor daily site risk management process and induction | Required | Required | As required | As required |
| Incident reporting | Required | Required | Required | Required |
| Monitoring and supervision | Required | Required | Required | Required |
| Audit and inspection | Required | Required | Required | Not Required |
| Contract Performance Report | Required | Required | Required | Required |

8. PANEL OF PROVIDERS

Council shall maintain a list of pre-approved specific contractors and suppliers of service. All relevant checks, required documentation, licences, insurances and safety information relevant to their individual scope of works shall be provided and approved prior to commencement of works.

9. NON-APPROVED CONTRACTORS FOR EMERGENCY WORK

The relevant Operational Manager or nominated representative may authorise a non-approved contractor for emergency work or work of very short duration when an approved contractor qualified to do the work is not available.

10. CONTRACTOR HEALTH AND SAFETY REQUIREMENTS

The following section outlines model clauses relating to Health and Safety requirements which must be incorporated into specification and tender documents.

All contract tender documents must detail the exact Health and Safety requirements as detailed by the Contractor Health and Safety Management Matrix and specific risk management requirements applicable to the operation (e.g. supply of plant and operator 'wet hire' contractors must supply mobile plant risk assessments).

A. General WHS requirements

Council is obligated to provide and maintain, where practicable, a working environment for its employees and members of the public, that is safe and without risk to health. As a condition of this contract, Council requires that any contractors or subcontractors that may be engaged to perform a service on its behalf shall at all times identify and exercise all necessary precautions for the health and safety of all persons including contracted employees, Council employees and members of the public who may be affected by the services. The contractor shall inform themselves of all health and safety policies, procedures or measures implemented or adopted by Council and/or the occupiers of any premises at or within which the contractor will perform works under this contract. The contractor shall comply with all such policies, procedures or measures and in the event of any inconsistency, shall comply with such procedures or measures that produce the highest level of health and safety.

B. Legislative compliance

The contractor shall comply with and ensure that its employees, subcontractors and agents comply with any acts, regulations, local laws and by-laws, codes of practice, Australian Standards and Council's policies and procedures which are in any way applicable to this contract or the performance of the services under this contract.

Note: this provision simply recites obligations that are independently imposed upon the party by force of law, particularly the operation of the relevant general duties provisions of the governing Health and Safety statute.

C. Safe Design

It is important to incorporate an appropriate clause in the tender and contract which requires risk management, and more specifically, to cover whole of life Health and Safety risks at the design stage. An example of a model clause enabling flexible modifications, depending on the nature of the service or supply, is:

“The [tenderer] shall detail in the design documentation the identification and assessment of whole of life health and safety risks (such as those related to the construction/manufacture, installation, commissioning, operation, maintenance, decommissioning and demolition/removal) and the methods used to eliminate and/or minimise these health and safety risks via the design/redesign process.”

It is a requirement of legislation that a designer of a structure or any part of a structure that is to be constructed must give the person conducting a business or undertaking that commissioned the construction work a written report that specifies the hazards associated with the design of the structure that:

- create a risk to the health or safety of persons who are to carry out construction work on the structure or part; and
- are associated only with the particular design and not with other designs of the same type of structure.

The Contractor Health and Safety Management Matrix offers a simple health and safety reference guide for Council employees responsible for engaging contractors or service providers. The Specific Requirements for Contractors for Tender/ Service Supply details the minimum requirements that all contractors must submit and have approved prior to commencing works according to their relevant Contractor Category (refer to Warren Shire Council Contractor Management Procedure).

11. EVALUATION

The Contract Owner is responsible for the evaluation of supplied Health and Safety documentation to ensure it meets the minimum legislative and operational requirements.

Depending upon the tender classification the Health and Safety criteria could include any of the following: Health and Safety Policy; Consultation; Risk Management; Standard Work Procedures; Process Control; Work Method Statements; Induction Training; Incident Reporting; Insurances; Emergency Procedures; Hazardous Substances; Traffic Control Plans etc.

As a general guide, prospective contractors should be aware that Council attributes a weighting to contractors health and safety performance.

The tender evaluation stage allows Council to assess specification requirements, including Health and Safety aspects. This process is critical. It ensures that Council establishes that tenderer's have adequate systems in place to manage Health and Safety risks.

The tender evaluation process typically involves the following tasks:

- Examination of tenderer's Health and Safety documentation (including policies, procedures, work methods, training/competency records).
- Verification of the implementation of the Health and Safety system. This may include review of tenderers records pertaining to audits, hazard inspections, plant records, safety meetings and incident investigations.
- Evaluation of reports on the tenderer's health and safety performance (records of accidents and incidents, infringements, prosecutions, workers compensation premiums).
- Undertaking interviews or discussions with tenderers to confirm their understanding of contract Health and Safety requirements and their ability to manage accordingly.

Tenderers who cannot demonstrate that they can adequately meet the Health and Safety requirements of the tender document should not be considered in the selection process.

12. SPECIFIC HIGH RISK REQUIREMENTS

High risk works (as defined by legislation) are activities that:

- involves a risk of a person falling more than 2 metres
- is carried out on a telecommunication tower
- involves demolition of an element of a structure that is load-bearing or otherwise related to the physical integrity of the structure
- involves, or is likely to involve, the disturbance of asbestos
- involves structural alterations or repairs that require temporary support to prevent collapse
- involves a confined space; or involves
- a shaft or trench with an excavated depth greater than 1.5 metres;
- a tunnel
- involves the use of explosives
- is carried out on or near pressurised gas distribution mains or piping
- is carried out on or near chemical, fuel or refrigerant lines
- is carried out on or near energised electrical installations or services
- is carried out in an area that may have a contaminated or flammable atmosphere
- involves tilt-up or precast concrete
- is carried out on, in or adjacent to a road, railway, shipping lane or other traffic corridor that is in use by traffic other than pedestrians
- is carried out at a workplace in which there is any movement of powered mobile plant
- is carried out in an area in which there are artificial extremes of temperature
- is carried out in or near water or other liquid that involves a risk of drowning
- involves diving

A. High Risk Work Method Statements

A person conducting a business or undertaking that includes the carrying out of high risk work must, before high risk work commences, ensure that a Work Method Statement for the proposed work:

- is prepared; or
- has already been prepared by another person

The Work Method Statement must:

- identify work that is high risk construction work; and
- specify hazards associated with that high risk construction work and risks associated with those hazards; and
- describe the measures to be implemented to control those risks; and
- describe how the risk control measures are to be implemented, monitored and reviewed.

The Work Method Statement must take into account all relevant matters including circumstances at the workplace that may affect the way in which the high risk construction work is carried out; and if the high risk work is carried out in connection with a construction project,

the Health and Safety management plan that has been prepared for the workplace; and be set out and expressed in a way that is readily accessible and comprehensible to persons who use it.

A person conducting a business or undertaking must ensure that a Work Method Statement is reviewed and as necessary revised if relevant risk control measures are revised and must ensure that the Work Method Statement is, readily available and provided to persons undertaking relevant tasks.

13. SUB-CONTRACTORS

Subcontractors working for a Principal Contractor must supply the Principal Contractor with Work Method Statements and verification of licences, competencies, permits and insurances prior to commencing works.

14. REVIEW OF ADEQUACY OF PRINCIPAL CONTRACTOR PROJECT MANAGEMENT PLAN AND SWMS

Principal Contractors shall supply a Site / Project Specific Health and Safety Management Plan and required SWMS's.

The Council Contract Owner or nominated person must undertake a review of the adequacy of submitted plan and relevant SWMS's.

The review must utilise the Review of Adequacy of Principal Contractor Project Management Plan and SWMS form (refer to Warren Shire Council Contractor Management Procedure).

If the Site / Project Specific Health and Safety Management Plan and required SWMS's meets the criteria of the checklist a copy of the plan and the original checklist is to be forwarded to the Project Coordinator to complete the sign off process.

If the Site / Project Specific Health and Safety Management Plan and required SWMS's are not adequate:

- Seek advice, where necessary, from staff with specialist skill
- Require the Principal Contractor to submit a revised satisfactory Project WHS Management Plan for review prior to work commencing
- Raise concerns about inadequacies with documentation with Senior Management.

Works are not to commence until the Site / Project Specific Health and Safety Management Plan and required SWMS's have been approved and all required signatures obtained.

15. CONTRACTOR INDUCTIONS

The Council Project Coordinator or Supervisor of the contract must ensure that the engaged contractor has appropriate localised information and knowledge to work safely on contracts or service agreements awarded by Council.

All Council contractors with the exception of contractors appointed as a Principal Contractor must be issued with a Council Contractor HSE Handbook which must be read and acknowledged by the relevant contractors prior to commencement (refer to Warren Shire Council Contractor Management Procedure).

If a person conducting a business or undertaking that commissions a construction project engages a principal contractor for the project, the person must give the principal contractor any information the person has in relation to hazards and risks at or in the vicinity of the workplace where the construction work is to be carried out, including a copy of the report given to the person.

Where a Principal Contractor is appointed it is their responsibility to ensure these inductions are conducted for all persons working onsite.

The relevant Council Project Coordinator or Supervisor of the contract shall liaise and consult with the Principal Contractor to ensure all hazards and risks are identified and eliminated or adequately controlled.

On work sites controlled by Council as either the Principal Contractor or the controller of the site / facility, inductions will be as per Council Induction processes (refer to Warren Shire Council Contractor Management Procedure).

16. INCIDENT NOTIFICATION

All contractors are required to notify Council of all incidents, injuries and events that result in a breakdown of health and safety processes.

Contractors are also required to notify WorkCover or EPA of notifiable events. Notifiable events, injuries, incidents and infringements are to be recorded by the relevant Council Project Coordinator or Supervisor of the contract on the Contract Performance Report

17. MONITORING AND SUPERVISION

The Council Project Coordinator or Supervisor of the contract shall maintain a schedule of monitoring and supervision throughout the life of the contract.

The level of risk and category of the Contractor will determine the monitoring and supervision schedule, this will be established prior to works commencing.

The higher the risks the greater level of monitoring and supervision is required.

Non-compliances and breaches of Health and Safety must be documented in the Site Instruction Book and signed by the relevant contractor; identified issues must be rectified immediately.

Failure to rectify non compliances and breaches will result in work ceasing until the identified issues have been satisfactorily resolved.

18. AUDITING AND INSPECTION

Auditing and inspection must be undertaken to ensure Contractors are complying with submitted Health and Safety documentation and that the works and or services being provided are compliant with required legislation and do not pose unacceptable risks to Council and or the public.

The schedule of audits and inspections must be determined and communicated to the contractor prior to works commencing.

The schedule and type of audit and inspection shall take into account the following:

- Length of scheduled works
- Risk level of scheduled works
- Capital expenditure
- Complexity of scheduled works

With major capital works involving a Principal Contractor it may also be necessary to engage a third party at relevant milestones, to conduct independent audits and inspections.

A. Audit and Inspection Resources

Category 1- Principal Contractors (refer to Warren Shire Council Contractor Management Procedure).

- Site Safety Environmental Audit
- Worksite Safety Audit

Category 2 - Service / Project Contracts – where the cost of works is less than \$ 250,000 (GST incl.) and involves high risk works (refer to Warren Shire Council Contractor Management Procedure).

- Worksite Safety Audit

Category 3 - Service / Project Contracts – Low risk contracts (refer to Warren Shire Council Contractor Management Procedure)

- Worksite Inspection Checklist

All non-conformances must be documented in the Site Instruction book and signed by the relevant contractor.

All audits and inspections undertaken must be forwarded to the Contract Owner / Contract Administrator for inclusion within the contract documentation folder.

19. BREACHES / NON COMPLIANCE

All breaches / non-conformances must be documented in the Site Instruction book. Major breaches will result in work being stopped until required actions are rectified, minor breaches that can be rectified immediately do not need to be recorded.

At all times the relevant Council Contract Owner, Project Coordinator, Supervisor of Contract has authorisation to stop works and remove personnel from site due to deliberate or gross neglect of health and safety requirements.

20. PERFORMANCE REPORTING

At completion of contracted work an evaluation must be conducted with a Contract Performance Report generated by the relevant Council Contract Owner / Project Coordinator or Supervisor of the Contract.

The report must be forwarded to the relevant Contract Owner for review and inclusion within the contract documentation folder.

The Contract Performance Report will be used in decision making processes for future contracts.

21. REVIEW

This Policy shall be reviewed:

- Within 12 months immediately following a Council Election; or
- Immediately if any provision is contrary to law.