

The Blue Hand Group



Contractor Management Procedure

Contents

- 1 Purpose
- 2 Scope
- 3 Procedure Overview
- 4 Procedures
 - 4.1 Risk Management
 - 4.2 Categories
 - 4.3 Considerations when requesting tenders for major projects
- 5 References
- 6 Schedules
- 7 Procedure Information



Contractor Management Procedure

1 Purpose

To ensure that all contractors meet the requirements of contractor management at the Charity.

2 Scope

This Procedure applies to all Employees and contractors.

3 Procedure Overview

Work Health and Safety Legislation in New South Wales requires employers to provide for the health and safety of their Employees.

This responsibility is extended not only to an employer's own workers, but to other persons who may be required to work on the employer's premises or to persons who carry out work under the direction of a Principal Contractor.

These people are often engaged in activities which expose them to high levels of risk. The Charity places a high priority on ensuring that these risks are minimised when contractors and subcontractors are engaged, by setting and maintaining high health and safety standards and placing a requirement on the contractor to abide by these standards.

This document establishes workplace health and safety guidelines which managers and Supervisors must follow when engaging contractors and subcontractors.



Contractor Management Procedure

4 Procedures

4.1 Risk Management

Risk Management is integral to all activities at the Charity and must be completed prior to any work commencing. This sheet is only to be used for minor works and must be escalated to a Risk Management and Internal Audit if the resultant risks are moderate or higher.

4.2 Categories

There are numerous circumstances in which contractors and subcontractors are engaged in the Charity's operations due to the diversity of Charity activities.

Five basic categories cover most contracting situations at the Charity and the category type determines the manner of induction, identification and registration required.



Contractor Management Procedure

Quick Reference Guide to Contractor Categories

	Category 1	Category 2	Category 3	Category 4	Category 5
Description	Light Deliveries	Heavy Deliveries	Consultants & Contract Workers	Minor Works	Major Works
Common Applications	Mail, couriers, small suppliers, donation drop-offs/pick-ups	Usually involves handling equipment such as forklifts, cranes or multi person lifts	Labour-hire, long term (annual or period) contracts for cleaning and maintenance, security personnel, auditors, volunteers, gardeners, visiting lecturers, work experience personnel, vendors and stall operators	Building maintenance, cleaning, repairs, various trade or technical work and minor modifications	Construction Works over \$80,000 and Principal Contractor appointed. New buildings, major grounds works, major modifications.
Induction	Nil	Nil	Staff Online Safety Induction or equivalent. Vendors and stall operators are to use the Contractor Safety Induction or equivalent	BHG Contractor or Safety Induction delivered online, self-briefed using the BHG Contractor Handbook or presented by an appropriate BHG staff member.	As required by the Principal Contractor but must also complete the BHG Contractor Safety Induction if access to the work site is through other Charity public areas

Contractor Management Procedure

Table continued.

Quick Reference Guide to Contractor Categories					
	Category 1	Category 2	Category 3	Category 4	Category 5
Description	Light Deliveries	Heavy Deliveries	Consultants & Contract Workers	Minor Works	Major Works
Induction				Regardless of the method used a record of the induction must be kept by the Contract Ledger.	
Identification	Confirmation from the registered organisation and/or business, uniform and/or company ID	Confirmation from the registered organisation and/or business, uniform and/or company ID	Confirmation from the registered organisation and/or business, uniform and/or company ID	Confirmation from the registered organisation and/or business, uniform, and/or company ID	Must wear company ID or be readily identifiable when outside the construction area



Contractor Management Procedure

Table continued.

Quick Reference Guide to Contractor Categories					
	Category 1	Category 2	Category 3	Category 4	Category 5
Description	Light Deliveries	Heavy Deliveries	Consultants & Contract Workers	Minor Works	Major Works
Registration	Nil (unless entering hazardous or controlled area)	Nil (unless entering hazardous or controlled area)	Nil (unless required by work area)	All minor works contractors (other than those with annual/period passes/IDs) must register on a daily basis. On Charity sites this is done using the Visitor Registration Document (VRD). All other sites use the paper-based BHG Contractor Sign-in Register. As required by the Principal Contractor.	As required by the Principal Contractor



Contractor Management Procedure

4.2.1 Category 1 - Light deliveries

Light deliveries are typified by couriers, mail, members of the public, volunteer drivers/deliveries, and small amounts of supplies that are generally able to be handled by one person without using power equipment or trolley jacks, etc. Typically, the risks are generally 'quite low' for light delivery activities, and given the variable frequency and timing of arrival, it is not cost-effective or workable in many cases to insist on full safety inductions for these people.

Requirements:

- Induction - Nil
- Identification - Confirmation from the registered organisation and/or business, uniform, and/or company ID
- Registration - Nil (unless entering hazardous or controlled areas).

Key controls:

- clear signage e.g. 'All deliveries and couriers must report to reception...'
- limited entry points, to the extent possible
- clear travel route to approved delivery point e.g. colour coded path or map
- if there is a need to proceed past reception unattended, issue short relevant instructions e.g. site safety rules card or specific route to take and key 'do's and don'ts' for delivery activities
- schedule periodic monitoring of delivery activities.

4.2.2 Category 2 - Heavy deliveries

Heavy deliveries are different from light deliveries as they often involve cranes, forklifts, or other equipment to load or unload trucks. Drivers normally spend less than one hour on-site and the process can involve different personnel on any particular visit, making it difficult to conduct personal safety inductions for each visit.

Requirements:

- Induction - Nil
- Identification - Confirmation from the registered organisation and/or business, uniform, and/or company ID
- Registration - Nil (unless entering hazardous or controlled areas)

Key controls:

- site safety rules for truck drivers
- issuing rules for truck drivers to trucking companies and request all drivers be briefed on rules
- display rules at each entry point e.g. large sign
- prominently display rules at each truck loading or unloading area
- ensure system for appropriate level of supervision for delivery activities.

4.2.3 Category 3 - Consultants and contract workers

Consultants and contract workers can include labour-hire, security personnel, auditors, volunteers, gardeners, visiting lecturers, and work experience personnel. Workers in this category may be short or long-term and in white or blue-collar areas.

Consultants and contract workers are deemed Employees for safety purposes and are subject to the same safety induction, training, and supervision as full-time Employees.



Contractor Management Procedure

Requirements:

- Induction – Staff Online Safety Induction or equivalent. Vendors and stall operators are to use the Contractor Safety Induction or equivalent.
- Identification – Confirmation from the registered organisation and/or business, uniform, and/or company ID
- Registration – Nil (unless required by work area).

4.2.4 Category 4 – minor works

Minor works may include building maintenance, cleaning, repairs, various trade or technical work, and minor modifications. Many of these activities are conducted in close proximity to Employee work areas and/or public areas.

Requirements:

- Induction – BHG Contractor Safety Induction delivered online, self-briefed using the BHG Contractor Handbook, or presented by an appropriate Charity Employee. Regardless of the method used a record of the induction must be kept on file.
- Identification – Must wear either a BHG authorised contractor registration certificate (issued weekly) or a BHG contractor identification pass issued annually by Facilities Management.
 - Note: If the contractor will be involved in 'Construction Work' as defined by the *Work Health and Safety Act 2011* (NSW), each individual must produce a Construction Industry Blue Card prior to issue of a BHG ID card or registration.
- Registration – All minor works contractors (other than those with annual passes/IDs) must register on a daily basis. On Charity sites, this is done using the Visitor Registration Document (VRD). All other sites are to use the paper-based BHG Contractor Sign-in Register.

Key controls:

- maintenance of an 'approved contractors' list
- pre-qualification to be on 'approved' list
- allocation of clear responsibilities
- signage e.g. 'All contractors prior to commencement of work'
- safety inductions for every individual worker
- periodic licence and certification checks
- permit to work system, including authority to commence work for hot works, work at heights, confined spaces etc.
- Work Method Statements for high risk work
- supervision, as appropriate for circumstances
- exit briefing.



Contractor Management Procedure

Other considerations for minor works maintenance contracts:

- **Written Contract.** A long-term contractor's contract must include more than a directive to work safely. It should detail all the requirements of compliance with the Charity's Workplace Health and Safety program.
- **Induction.** A long-term contractor must be given a full site-specific induction training program as for a Charity Employee.
- **Routine Health Surveillance.** There are situations where the health of a contractor could have an impact on others, e.g. drivers of goods vehicles, or where the contractor could be exposed to potential hazards on site, such as noise or dust. When this is the case, these people must be included when routine health surveillance is arranged such as hearing tests, chest surveys, and driver's medicals.
- **Workplace Health and Safety.** It is important that contractors' input and involvement with health and safety issues are sought and they should therefore be represented in local Workplace Health and Safety.
- **Standard Working Procedures.** As well as ensuring that long-term contractors are conversant with all relevant standard work Procedures, it is important that their input is sought when Procedures that relate to their work have to be developed. Particular emphasis must be given to lockout and tagout Procedures.
- **Emergency Procedures.** Long-term contractors must be fully conversant with the Charity's emergency Procedures and must be involved in practice drills.
- **Personal Protective Equipment.** All contractors are required to wear the recommended personal protective equipment where relevant.
- **Incidents, Injuries, and Property Damage.** As well as the necessity to report incidents, injuries, and property damage, such incidents involving contractors must be the subject of a full investigation. Causes of the incident or injury should be discussed and remedial action to prevent a recurrence determined. The incident must also be included for discussion in the Workplace Health and Safety agenda. Investigations will be conducted by the contractor, the Charity project manager/Supervisor, and the Charity Safety team.
- **Charity Workplace Health and Safety.** The service provided by the Charity Safety team (and other services) is extended to all aspects of contractor health and safety.

4.2.5 Category 5 - Major works (where the Principal Contractor is other than the Charity)

Major works are usually typified by new building constructions which are fenced off and access controlled by a Principal Contractor but can also include refurbishments, and installation of major items of plant and facility extensions.

Requirements:

- **Induction** - As required by the Principal Contractor but must also complete the BHG Contractor Safety Induction if access to the work site is through other Charity public areas. The BHG Contractor Safety Induction can be delivered online, self-briefed using the BHG Contractor Handbook, or presented by an appropriate Charity staff member. Regardless of the method used a record of the induction must be kept.
- **Identification** - Must wear company ID or be readily identifiable when outside the construction area.
- **Registration** - As required by the Principal Contractor.

Key controls:

- contract specifications include OHS standards
- OHS evaluated as part of tender process
- selection based on capacity and willingness to comply with OHS requirements
- planning and consultation Procedures
- Safety Plan for the project
- project KPIs and monitoring and reporting processes
- documented roles and responsibilities, including shared areas
- communication processes e.g. Incidents or faults
- risk assessment of all phases of the project, including pre-project
- periodic audit system to ensure compliance.

Contractor Management Procedure

4.2.6 Further requirements for Category 4 and Category 5 contractors

Regardless of the situation, the following Procedures must be followed when engaging a Category 4 or 5 contractor or subcontractor:

- **Contractor Safety Record** – Contractors must provide details of their safety record as well as their technical and commercial ability, for consideration when their suitability for the work is assessed.
- **Documented Safety Requirements** – The written contract, even if this is only a letter of engagement to carry out the specific task, must include a reference to the Charity's requirements for adherence to specific safety standards.
- **Insurances, Licences, Registrations, and Certificates** – The Charity project manager or Supervisor must ensure that contractor's or subcontractor's Employees possess the insurances, licences, registrations, and certificates required by Federal, State, or local legislation.
- **Pre-Work Site Safety Induction** – Before work is commenced on any Charity property, all persons who will be working at the Charity must complete the induction training program. The easiest way to do this is for the individuals to complete the BHG Online Contractor Induction presentation.
- **Standard Induction** – A standard induction is available for those contractors who are unable to complete the Online Contractor Induction. The Supervisor should present this induction or organise assistance from the Charity Safety team. The Supervisor should also inform the contractor that this induction will take approximately one hour.
- **Site Induction Handbook** – A Site Induction Handbook with a record of induction training is available from Facilities Management, the Charity Safety team and online. This handbook should be used in conjunction with a verbal brief and the record of training kept by the Supervisor.
- **Standard Work Procedures** – Where applicable, copies of the Charity's written standard work Procedures must be given to the contractors. Particular attention must be paid to lockout or tagout Procedures. Where relevant, copies of the contractor's written standard work Procedures must be provided, particularly if the work to be carried out is unusual for that site, e.g. roof repairs.
- **Supervision** – The Charity project manager must arrange for the work of the contractor or subcontractor to be monitored and supervised to ensure their compliance with standard work Procedures, maintenance of tools or equipment, and observance of good housekeeping. The person hiring a contractor will usually be held accountable for all actions of the contractor including accidents.
- **Feedback** – If the contractor or subcontractor is not working to the expected health and safety standards, the manager or Supervisor must discuss the deficiencies with the persons concerned and work with the contractor to resolve the problems.
- **Reporting Incidents, Injuries, and Property Damage** – Contractors, subcontractors, or tradespersons must be advised that all incidents, injuries, or damage to property must be reported to the relevant person on site, e.g. manager or Supervisor and the Charity Safety team.
- **Emergency Procedures** – Site-specific emergency Procedures must be explained and contractors or subcontractors will be required to take part in practice drills should they occur when the contractor or subcontractor is on site. This can be undertaken during the safety induction training given by the Charity Safety team.
- **Environmental Protection** – Charity's environmental requirements must be clearly outlined and the contractor or subcontractor must understand that strict adherence to these standards is required. This applies to noise, dust, gas or fume emissions, spillages, and preservation of the local ecology.
- **Property Security** – Contractors, subcontractors, or tradespersons must be made aware that they will be responsible for the security of their own property while on site.



Contractor Management Procedure

4.3 Considerations when requesting tenders for major projects

When tenders are called for major projects such as new plant construction or equipment installation, it is essential that health and safety management forms an integral part of the contract. The following areas should be considered in addition to the above requirements:

- The Tender. The call for tender must include a request for a copy of the prospective contractor's health and safety management plan covering both their own Employees and all subcontractors and a history of their injury experience for the past five years.
- Choice of Contractor. The final choice of contractor should be based not only on their technical and commercial competence but wherever possible on such issues as:
 - a good record of health and safety performance
 - active program for the management of subcontractors which the contractor may employ
 - demonstration of a Work Health and Safety management plan
 - well-controlled worker's compensation costs
 - compliance with legislation
 - demonstration of the contractor's senior management commitment to the health and safety program.

Appendix B is a list of items which must be addressed in assessing contractors' safety programs. Safety must be considered to be an aspect of quality management and have similar weighting with scheduling and costs. For significant contracts, managers should visit the contractor's facilities to observe how the business is being operated and to question senior management on their role and attitude to safety among other topics.

- The Contract. The written contract must contain details of the safety requirements applicable to the job in question. These details must have been agreed by all parties before the contract was awarded and must include an outline of how the safety plan will be administered. This will ensure that adherence to good safety practice is managed in the same way as time and quality.
- The objectives of the safety clauses in the contract are to:
 - clarify responsibilities
 - ensure compliance with regulations
 - minimise incidents and injuries to Employees and subcontractors and damage to property
 - ensure proper induction of Employees and subcontractors
 - ensure incidents and hazards are properly investigated
 - ensure plant and equipment is maintained in good condition.

Appendix C is a sample of a checklist developed for assessing a prospective contractor's Workplace Health and Safety program.

- Ongoing Management of Safety Performance. There must be an agreed Procedure for ongoing management of the workplace health and safety aspects of the project which should include some or all of the following points:
 - Charity management must assign responsibility for co-ordination of this activity to one of its key people involved in the project.
 - Regular liaison must take place between nominated project co-ordinators to review health and safety issues.
 - A site Workplace Health and Safety committee may be established, where relevant, with representatives from the University and the contractors.
 - All incidents, injuries, and property damage must be investigated jointly and remedial actions developed.
 - Regular safety inspections must take place with involvement of representatives from relevant parties.
 - As well as Employee induction training, the need for ongoing Work Health and Safety training should be reviewed on a regular basis and implemented when required.



Contractor Management Procedure

5 References

Nil.

6 Schedules

This procedure must be read in conjunction with its subordinate schedules as provided in the table below.

7 Procedure Information

Policy Type: Charity Procedure

Policy Suite: Work Health and Safety Policy

Relevant Legislation: Work Health and Safety Act 2011 (NSW), Work Health and Safety Regulation 2011 (NSW).

Related Procedures: Incident and Hazard Reporting and Investigation Procedure, Smoke-Free Procedure.

Terms Defined in the Definitions Dictionary:

Employee: A person employed by the Charity and whose conditions of employment are covered by the BHG Enterprise Agreement and includes persons employed on a continuing, fixed term, or casual basis.

Charity: The term "Charity" or "BHG" means The Blue Hand Group.

Supervisor: Refers to an Employee of the Charity who has been delegated the role of supervising the contractor or consultant.

Contractor Sign-in Register: Refers to the carbon copy tear-out sheets to be issued as ID for contractors as described in Category 3 below.

Construction Work: For a full definition see the Workplace Health and Safety Fact Sheet or contact the University Safety team. Construction Work includes repair but not maintenance. Construction Work is:

1. work to erect, construct, extend, alter, convert, fit-out, commission, renovate, repair, refurbish, disassemble or decommission a structure, or part of a structure; or
2. work connected with site preparation, excavation, and landscaping for work mentioned in paragraph(1); or
3. the assembly or installation of prefabricated components to form a structure, or part of a structure, for work mentioned in paragraph (1); or
4. the disassembly of prefabricated components for work mentioned in paragraph (1) that, immediately before the disassembly, formed a structure or part of a structure; or
5. a prescribed activity that is asbestos removal work or demolition work.

General Safety Induction Card (Construction Industry Blue Card): This card is generally referred to as "Blue Card" and is issued following successful completion of a course of instruction in General Safety Induction (Construction Industry). Possession of this qualification and card is compulsory for access to a worksite where Construction Work is being performed.

Principal Contractor

The Principal Contractor is the person who is in control of Construction Works where the final price of the construction has an estimated value of more than \$80,000. Principal Contractors have specific obligations in the WHS Act.

This document was approved and came into effect as of 24/11/2022.

