

1. Purpose

To describe processes and management in the purchasing of goods to ensure that identified hazards, are controlled so far as reasonably practicable.

2. Scope

This procedure applies to all employees, involved in the purchasing of goods at the City of Greater Dandenong (CGD). This procedure does not apply to contractor management. Refer to the *OHS contractor management procedure* for the purchase of services from contractors.

3. Definitions

Approved Goods List: A document which details items that are exempt from OHS evaluation prior to purchase. It includes both items that require no OHS evaluation and those which have previously been evaluated and approved.

Dangerous Goods: Are substances that pose a risk to people, property or the environment, due to their chemical or physical properties. They are usually classified with reference to their immediate risk, explosive, flammable, toxic, infectious or corrosive.

Goods: Any physical item such as mobile, portable and fixed plant and equipment, furniture, substances and temporary structures etc.

Hazardous Substances: Any substance, whether solid, liquid or gas, that may cause harm to human health. They are generally classified on the basis of their potential health effects, whether acute (immediate) or chronic (long-term).

Non-Conforming Goods: Goods that fail to meet specifications detailed on the purchase order, this also includes goods that are not received in good condition, leaking, damaged, missing components or guarding or appear to have been tampered with.

Plant and Equipment: Any machinery, equipment, appliance, implement or tool including any component or anything fitted, connected or related.

Purchase Order: A buyer-generated document that is issued to a supplier indicating types, quantities, other requirements e.g. reference to specifications, and agreed prices for products. Used to control the purchasing of goods and may include authorisation processes. When the supplier accepts a purchase order it then becomes a binding contract.

Risk Assessment: The process of determining the likelihood and consequence of injury, disease or illness, or damage arising from exposure to a hazard. If there are existing risk controls already in place, an assessment of risk considers the reliability and robustness of these existing risk controls when determining the inherent residual risk level/score.

Safety Data Sheets (SDS): Are documents prepared by manufacturers and/or suppliers for hazardous substances or dangerous goods, providing critical information. They include instructions for the safe use and potential hazards associated with a particular substance. The SDS should be available for reference in the area where the chemicals are being stored and/or used.

Specification: Is a statement of a particular requirement that needs to be achieved.

4. Responsibilities

For general OHS responsibilities refer to OHS Responsibility Procedure.

Team Leader Risk Management & OHS is responsible for:

- ensuring the procedure is implemented and reviewed, as required

Managers are responsible for:

- implementing the procedure in their area of responsibility
- communicating and consulting with relevant employees about this procedure

5. Procedure

5.1 Exceptions

This procedure does not apply:

- where goods are consumables or office type equipment with no significant OHS hazards associated with them or have been supplied by reputable suppliers such as xerox, canon etc.
- where relevant good(s) have been added to the CGD approved goods list, and
- goods used by contractors during provision of their on-site services, for example the ongoing maintenance and repair of equipment provided as part of a service agreement, where these goods are only on site for the duration of the service and where the CGD contractor management procedure has been implemented.

5.2 Develop Specifications

All purchasing of goods is to be conducted in accordance with CGD procurement/purchasing procedures.

Specifications are to be developed and included in any requests for quotation, tender or supply of goods, considering the health and safety of employees in use, cleaning and maintenance.

Specifications relating to health and safety developed that include the following must be provided to the supplier:

- requirement that an Australian/New Zealand Standard that is relevant to the purchase must apply. Where a relevant Australian/New Zealand Standard does not exist, relevant legislative requirements will be applied;
- when hazardous substances are purchased, the requirement to supply SDS's prepared in accordance with current regulatory requirements and Codes of Practice/Compliance Codes issued by the relevant authorities;
- provision to supply compliant plant risk assessments and other documentation demonstrating that the product is safe in its design;
- requirement to ensure the plant and/or its design is registered (if registration is required by legislation) or is in a condition that will enable CGD to register immediately and without any additional work being required;
- provision for initial and ongoing training (where appropriate) in the use of the purchased item;
- the need for the supplier to provide documented instructions/manuals relating to the safe operation and maintenance of the purchased item;
- undertake commissioning or operational trials to confirm safe operation, if required; and

- all designers and suppliers of plant, building, temporary structures and substances shall provide documentation of any testing and examination as may be necessary to ensure that the goods supplied are safe and without risks to health, as well as the information required.

Non-compliance with the above means the purchase of product, plant, substance or structure is not permitted until the required documentation is provided.

5.3 Hazard Identification and Risk Assessment

Once the specifications have been determined and relevant information gathered from the supplier, the potential health, safety and environmental hazards associated with the purchase of all plant, equipment, materials and substances shall be identified and risk assessed prior to raising a purchase order.

The hazard identification and risk assessment approach used is dependent on the nature of the purchase and is defined below in table 1.

A completed, section 1 OHS purchasing of goods checklist is required for the purchase, hire, lease or donation of goods with potential OHS risks.

All risk assessments shall be performed and risk rated in accordance with the OHS risk and change management procedure.

Type of Purchase	Risk Assessment
Capital expenditure	General risk assessment form
New substance	Chemical risk assessment form
Identical spare parts	No risk assessment is required as an identical spare part will not change the existing hazard level
All other items including plant and non-identical spare parts (apart from exceptions, refer section 5.1)	Plant risk assessment

Table 1: Purchase risk assessment

An assessment may determine that certain items are exempt from evaluation prior to purchase. Any exempt items are to be recorded on the approved goods list within relevant department.

Relevant CGD employees, HSR's volunteers and contractors must be part of the consultation process where the purchasing decisions will or is likely to affect the health and safety of these workers.

5.4 Acceptable Risk

It is the responsibility of the person who raised the requisition to ensure that any risks are identified and controlled using the OHS Pre Purchase Checklist before forwarding to the requisition approver.

The requisition approver must be satisfied that the OHS requirements have been met.

Once the requisition has been approved the approved goods list can be updated by the relevant Manager or their delegate.

5.5 Regular Repeat Purchase

Goods purchased on a regular basis require to be risk assessed every 5 years. Responsibility for ensuring the review resides with relevant Managers.

5.6 Goods Received

Purchased good(s), where necessary should be quarantined from other goods and thoroughly checked for:

- full compliance with purchase order and OHS specifications;
- damage to goods;
- damage to packaging; and,
- leaking product.

Any non-conformance, shall be recorded on OHS purchasing of goods checklist and handled in accordance with safe OHS practices such as:

- refusing receipt or returning of the goods; and/or
- refusing payment; and/or
- isolating the goods from use.

CGD is not to receive any goods that are non-conforming.

A record of such checks must be made by the relevant Managers or their delegate e.g. the person receiving the goods. For example:

- verifying on the invoice or delivery document; or
- verifying on the purchase order.
- completion of section 2 OHS purchasing of goods checklist

Safe use of the good(s) is to be monitored through the CGD workplace inspection process.

6. References

Occupational Health and Safety Act 2004

Occupational Health and Safety Regulations 2017

National self-insurer OHS management system audit tool (NAT), version 3 – criteria 3.9.8, 3.10.6 & 3.10.24

7. Related Documents

CGD OHS Policy

CGD OHS Risk and Change Management Procedure

CGD OHS Responsibility Procedure

CGD OHS Contractor Management Procedure

CGD OHS Communication, Consultation and Issue Resolution Procedure

CGD Chemical Management (including Hazardous Substances & Dangerous Goods) Procedure

CGD Plant and Machinery Safety Procedure

CGD Procurement/Purchasing Procedures

CGD OHS Purchasing of Goods Checklist

General & Task Risk Assessment Form

Chemical (HS & DG) Risk Assessment Form

Manual Handling Risk Assessment Form

Plant Risk Assessment Form

8. Document History

Version Number	Issue Date	Description of Change
0.1		1 st Draft from MAV/JLT
0.2	06.12.2018	Accepted by OHS Policy Sub-Committee
0.3	15.04.2019	14 Day Employee Consultation
1.0	May 2019	Approved by OHS Oversight Team