

1. Purpose

To describe the processes and management accountabilities to ensure that all contractors, engaged by the City of Greater Dandenong (CGD) have health and safety systems and processes in place that are appropriate to the type of work and the level of risk.

2. Scope

This policy is to apply to all CGD personnel, contractors, subcontractors and visitors associated with any aspects of the contractor management processes.

3. Definitions

Authorising Officer: CGD personnel with authority to enter into contracts for the provision of services

Contractor: An organisation, or individual, including all their employees and sub-contractors, with a contractual agreement with CGD to provide a specific service or range of services in accordance with the contract terms and the defined scope of contract. This includes Labour Hire Agencies, and works engaged through Purchase Orders.

Contract Superintendent: CGD personnel tasked to manage the work under the Contract in accordance with the Contract specification.

Responsible Officer: CGD personnel nominated by the Contract Superintendent or Manager of a department to engage the services of a contractor or service provider. The Contract Superintendent's nominee is sometimes referred to as the Superintendent Representative in other documented processes.

Major Contract: Work or contract involving:

- duration >1 year
- panel arrangements
- significant public or staff safety issue(s), and / or
- high risk activities (e.g. asbestos, demolition, confined spaces) and / or
- subcontractor labour and / or
- involves coordination between several contractors and/or subcontractors and / or
- construction work over \$350,000

Minor Contract: Work or contract involving:

- duration <1 years, and / or
- doesn't involve high risk activities or high risk construction work

Service Provider: Work or contract involving:

- administrative work, consultancy, auditing, training

Panel: A method of prequalification where a group of Contractors who provide similar or related services have been contracted by CGD to provide services over a fixed term.

Panel Superintendent: CGD representative tasked to manage the formation and management of the work done by panels under their management or control and in accordance with the Contract specification.

OHS Contractor Management Procedure

Safe Work Method Statement (SWMS): A document that identifies work that is high risk construction work, states the hazards and risks to health and safety of that work, describes the measures to control those risks, and describes the manner in which the risk control measures are to be implemented.

High Risk Construction Work (HRCW): Construction work that is as follows:

- where there is a risk of a person falling more than 2 metres (i.e. accessing roofs)
- on telecommunications towers
- involving:
 - demolition,
 - removal or likely disturbance of asbestos
 - structural alterations that require temporary support to prevent collapse
 - confined space
 - trench or shaft if the excavated depth is more than 1.5 metres
 - tunnel
 - use of explosives
- on or near:
 - pressurised gas distribution mains or piping
 - chemical, fuel or refrigerant lines
 - energised electrical installations or services
- in an area that may have a contaminated or flammable atmosphere
- involving tilt-up or pre-cast concrete
- on or adjacent to roadways or railways used by road or rail traffic
- at workplaces where there is any movement of powered mobile plant
- in an area where there are artificial extremes of temperature
- in, over, or adjacent to water or other liquids where there is a risk of drowning
- involving diving.

Construction Work: Any work performed in connection with the construction, alteration, conversion, fitting out, commissioning, renovation, refurbishment, decommissioning, or demolition of any building or structure, or any similar activity. This includes;

- installation, testing, maintenance and repair work carried out in conjunction with the construction work;
- the removal of any product or waste resulting from the demolition;
- the pre fabrication or testing of elements at a place specifically established for the construction project;
- the assembly of prefabricated elements to form a building or structure or the disassembly of prefabricated elements that, immediately before the disassembly, formed a building or structure;
- the installation, testing and maintenance of gas, water, sewerage, electricity or telecommunication services in or of any building or structure;
- any work in connection with any excavation, landscaping, preparatory work or site preparation performed for the purpose of any work referred to in the definition above;
- any work referred to in the definition above performed under water, including work on buoys, obstructions to navigation, rafts, ships and wrecks.

Construction work **does not** include;

- the assembly, disassembly, prefabrication or manufacture of fixed plant;

OHS Contractor Management Procedure	This Document is Uncontrolled when Printed		Responsible Officer: Team Leader Risk & OHS
Version: 1.0	Issue Date: Aug 2018	Next Review: Aug 2021	Page 2/12

OHS Contractor Management Procedure

- the pre fabrication of elements, other than at a place specifically established for the construction project;
- routine or minor testing, maintenance or repair work performed in connection with a building or structure;
- the exploration for, or extraction of, minerals or stone.

Structure: Structure includes the following—

- a) any construction wall, mast, tower, pylon, or structural cable;
- b) any tunnel, shaft, underground tank, pipe or pipeline, sea defence works, river works, earthworks, earth retaining construction, or construction designed to preserve or alter any natural feature;
- c) any road, railway line or siding, tramway line, airfield, dock, harbour, inland navigation channel, bridge, viaduct, waterworks, reservoir, aqueduct, constructed lagoon, dam, sewer, sewerage or drainage works, electricity generation facility, electricity transmission facility, electricity distribution facility, gas generation facility, gasholder, gas transmission facility, gas distribution facility, or park or recreation ground facility;
- d) any ship or submarine;
- e) any fixed plant;
- f) any formwork, falsework, scaffold or other construction designed or used to provide support or access or containment during construction;
- g) any part of a thing set out in paragraphs (a) to (f).

Sub-contractor: An individual or organisation hired by the contractor to perform a specific task as part of the overall project.

Consultant: A professional who provides expert advice in a particular area such as security (electronic or physical), management, education, accountancy, law, human resources, marketing, public relations, finance, engineering, science or any of many other specialized areas. All consultants are Contractors. Some consultants are also Self-Employed Persons.

High Risk Work: High risk work means any work set out in Schedule 3 OHS Regulations 2017 as being within the scope of a high risk work licence.

High Risk Work Licence: High risk work licence means any of the licences listed in Schedule 3 OHS Regulations 2017.

4. Responsibilities

For general OHS responsibilities refer to OHS Responsibility Procedure

Team Leader OHS & Risk is responsible for:

- Ensuring the procedure is implemented and reviewed, as required

Relevant Managers & Coordinators are responsible for:

- Ensuring contractors and sub-contractors are assessed by Contract Superintendents and Responsible Officers in accordance with this procedure and for ensuring the selection of a contractor, with appropriate OHS systems, is in compliance with OHS legislation.

Contract Superintendents and Responsible Officers are responsible for:

- Implementing this procedure in their area of responsibility

Panel Superintendents are responsible for:

- Implementing this procedure for panels under their management or control. Panel Managers have all the responsibilities of the Contract Manager when Contractors are grouped in to panels. A reference to a Contract Superintendent also relates to Panel Superintendent.

5. Classifying the Contracted Works as Major, Minor or Service Provider

OHS Contractor Management Procedure	This Document is Uncontrolled when Printed		Responsible Officer: Team Leader Risk & OHS
Version: 1.0	Issue Date: Aug 2018	Next Review: Aug 2021	Page 3/12

OHS Contractor Management Procedure

The Contract Superintendent must first classify any contract as Major, Minor or Service Provider.

5.1 Criteria for the classification of Major and Minor Contracts

Contracts will be classified as Major or Minor depending on the following criteria:

5.1.1 Level of Risk

Contracts involving high risk activities must be classified as a *Major Contract*.

In these cases, CGD has an obligation to insist on more sophisticated management systems when engaging Contractors to perform hazardous work. Such work may involve:

- working in confined spaces, at heights or isolation
- demolition work
- working with asbestos, on or around water or with electrical insulations
- work involving the use of Sub-contractors
- work involving significant hazards to the public
- supply of Community Services
- working on roads
- trenching
- in areas close to or within areas occupied by the public
- thoroughfares

Contractors or sub-contractors, who undertake this type of work on a regular basis, should be expected to be familiar with concepts such as Health and Safety Co-ordination Plans, risk assessments and other requirements for *Major Contracts*.

5.1.2 Level of Complexity

If a contract involves the use of sub-contractors the Contract Superintendent or Responsible Officer must ensure that suitable systems for selection and supervision must apply to the use of sub-contractors. Where the Contractor Superintendent or Responsible Officer believes the use of sub-contracted labour is likely, the contract must be classified as a **Major Contract**.

Work that involves interaction between several contractors will also generally be classified as **Major**, as well as any purchase below \$50,000 that involves high risk work. The level of complexity can be determined by using Council's Procurement system in Webstar. Procurement takes into consideration the value of the contract or service, the nature of the contract or service (complex or simple), then provides the level of information required to be completed and assessed before engagement. Whenever there is doubt, consultation with the Contracts Unit and the Risk & OHS Unit must occur.

5.1.3 Duration of Service

Contracts that extend beyond 12 months where the work is undertaken at a CGD managed or controlled workplaces are considered sufficiently large to expect that Contractors have formalised OHS management systems, which reflect the type of work they are performing. Such contracts are to be classified as **Major Contracts**.

5.1.4 Regulatory Requirements

Contracts involving *High Risk Construction Work* will in all instances be deemed to be Major Contracts.

Construction Works over \$350,000 are also deemed to be Major Contracts.

5.2 Service Providers

OHS Contractor Management Procedure	This Document is Uncontrolled when Printed		Responsible Officer: Team Leader Risk & OHS
Version: 1.0	Issue Date: Aug 2018	Next Review: Aug 2021	Page 4/12

OHS Contractor Management Procedure

Service Providers include Contractors who perform predominantly administrative / office type work, or very low risk work.

Examples of Service Providers include:

- Auditors, lawyers, accountants, insurance brokers/agents, consultants
- Photocopy technicians
- Trainers
- Delivery people

CGD must still provide a safe workplace for the types of service providers listed above including adequate instruction, information and supervision so as to ensure that their health and safety is not at risk while on CGD's premises.

5.3 Provision of Hazard Information to Contractors

Prior to the Contractor commencing any works from the Scope of the Works prescribed under the contract the contractor shall be informed as to any known or potential hazards associated with the proposed works. The identified hazards shall form a part of the tender documents.

6. Prequalification

All Major or Minor Contractors engaged by CGD must be pre-qualified before any works can commence.

If contractor has in place an OHS Management System certified by a JAS-ANZ accredited body such as SafetyMap, AS/NZS 4801:2001 or ISO 45001, they will be deemed to have achieved prequalification.

When the contractor does not have in place an accepted OHS Management System, prior to the contract being awarded, Contractors must provide the necessary documentation to the satisfaction of the OHS & Risk Unit before commencing works.

7. Procedure

7.1 Scope of Works

A Scope of Work is to be completed for all Major and Minor contracts. Scope of Works should provide sufficient detail to ensure clarity for both CGD and Contractors on the quantity, quality, and timing of work to be carried out under contract.

7.2 Hazard Identification

Contract Superintendent is to identify any obvious hazards related with the works detailed in the Scope of Works. When conducting the hazard assessment the Contract Superintendent should consult with peers, OHS Consultant/Advisor and any other staff who may have relevant knowledge and expertise.

7.3 OHS Clauses in Contract Document

All documents relating to the procurement of major or minor works must include relevant OHS clauses and specifications. Sample clauses can be found in the Sample OHS Clauses document.

OHS clauses in CGD contracts are considered by CGD to be fundamental terms of the contract. As such, repeated non-conformances or a single serious non-conformance with OHS terms and conditions may constitute a breach of contract, and as a result the contract may be suspended or terminated.

7.4 Evaluation and Selection

The contractor must demonstrate an implemented occupational health & safety management system which ensures compliance with the duties prescribed in Occupational Health Safety legislation and relevant Australian Standards. The extent and complexity of the contractors OHS

OHS Contractor Management Procedure	This Document is Uncontrolled when Printed		Responsible Officer: Team Leader Risk & OHS
Version: 1.0	Issue Date: Aug 2018	Next Review: Aug 2021	Page 5/12

OHS Contractor Management Procedure

systems must reflect all the tasks to be undertaken and levels of risk associated with the work to be undertaken.

This OHSMS should include, but is not limited to:

- OH&S Policies and Procedures;
- organisational Structure and Responsibilities;
- Safe Work Method Statements, which will be implemented during the work;
- induction and training requirements and qualifications;
- auditing, inspection and performance monitoring procedures;
- consultation procedures; and
- assessments of the hazards and risks that will arise during the work.

Documents, including the OHS Management System Questionnaire, must be submitted by prospective contractors as part of the quotations / tender process and monitored / reviewed throughout the contract term.

This will not remove the requirement for the subsequent development of contract specific OHS documentation.

Contractors that are not able to demonstrate adequate OHS systems will not progress any further through the selection process.

7.5 Annual Supply / Preferred Contractor Database

The selected contractor will be added to the CGD annual supply (preferred contractors) database. This is a list of organisations or persons that have met all of CGD's requirements and will not need re-evaluation for every engagement. However, if a scope of works falls outside of the initial scope upon which the contractor was evaluated, then additional documentation will be required.

All Annual Supply / Preferred Contractors will need to re-submit Certificates of Currency of Insurances on an annual basis. Contractors will remain on the Annual Supply / Preferred Supplier Database for a period not exceeding 3 years. After this period, contractors will be required to resubmit their OHS documentation and be assessed for continued inclusion on the database a further 3 year term.

7.6 Engagement and Induction

Following the receipt of procurement contract documents, the Authorising Officer will advise the contract superintendent that they may commence the contract.

The Contract Superintendent must ensure that an induction is provided to all contractors and their employees prior to commencement of contract works. Records of induction should be maintained. The CGD Contractor Induction Handbook must be provided to all Contractors. The CGD Contractor Induction Checklist must be used to record all Contractor Inductions.

7.7 Supervision and Monitoring

All works done under contract are required to be supervised and monitored. However the frequency and duration of supervisory inspections and audits will vary according to the size, duration, scope and level of risk associated with the work. Please refer to the *Contractor Management Manual* for guidance.

The Contract Superintendent must ensure the Contractor's health and safety performance is monitored and reviewed to ensure continued adherence to relevant health and safety requirements and specifications of the contract. Monitoring and review process may be undertaken through:

- site meetings
- progress reviews

OHS Contractor Management Procedure	This Document is Uncontrolled when Printed		Responsible Officer: Team Leader Risk & OHS
Version: 1.0	Issue Date: Aug 2018	Next Review: Aug 2021	Page 6/12

OHS Contractor Management Procedure

- workplace inspections
- documentation audits (e.g. license, training, pre-start checks)
- scheduled performance review processes

The monitoring of contracted works can be incorporated in to other routine monitoring processes and will be undertaken according to a schedule developed prior to the commencement of the works. Consideration will be given to the following factors when developing the schedule:

- degree of confidence in the contractor's ability to manage the work
- duration of the works
- complexity and potential for interaction with the public and other contractors
- level of risk associated with the works
- critical phases in the project timeline

The CGD OHS Contractor Performance Monitoring Worksheet is to be used for contractor performance monitoring.

When requested by the Contract Superintendent, the contractor must provide evidence of their own on-going commitment and implementation of their OHSMS. The following information may be requested:

- Previous months 'Injury Register' including lost time, number of days lost as a result of the injury and no lost time incidents,
- Copies of OH&S inspections and risk assessments, as well as the status of the implementation and outcomes of corrective actions,
- Status of audits against the OHSMS; and
- Details of any investigations, inquiries, notifications, prosecutions, convictions, fines, penalties and or similar events involving WorkSafe, the Environmental Protection Agency or any other related agency involved with the OH&S of the contractor, whether related to the undertakings of the CGD or not

8. Non - Conformance

If a significant, or repeated failure to meet OHS requirements is identified during inspections and audits the Contract Superintendent may issue a Non Conformance report. The report must identify the:

- nature of the non-conformance
- recommended remedial action
- timeframe for completion
- person responsible for completion

If the contractor fails to meet the requirements of the non-conformance, or a major breach of contractual requirements occurs, the Contract Superintendent, in consultation with the Manager People & Procurement, may issue a Show Cause notice to the contractor. This may require the contractor to stop work, or even cease the contract – see *Contractor Management Manual* for further details.

9. Contractor Panels

Panels are a form of prequalification that is used by CGD. Where goods and services are purchased regularly, panels may be formed in accordance with the Procurement Policy.

In a panel arrangement, an overarching contract or 'deed of standing' exists between CGD and each Contractor on the panel detailing:

OHS Contractor Management Procedure	This Document is Uncontrolled when Printed		Responsible Officer: Team Leader Risk & OHS
Version: 1.0	Issue Date: Aug 2018	Next Review: Aug 2021	Page 7/12

OHS Contractor Management Procedure

- the type of service the Contractor will provide;
- the set/indicative price for the service; and
- the manner in which CGD will procure the service from the supplier

A contract is formed each time a CGD officer purchases goods or services under the panel arrangement.

9.1 Forming Panels

Panel Superintendent is to:

- develop a Scope of Works
- identify any OHS risks related to the works that panel contractors are likely to perform under a contract for service with CGD
- tender using Procurement Policy & Guidelines
- provide contractor with any relevant information about hazard/risks
- evaluate submissions
- verify that contractor has provided sufficient evidence to demonstrate they have the capability to adequately manage the OHS risks associated with the Scope of Works
- award Contracts
- provide induction training

9.2 Management of Panels

Throughout the life of the panel contract, the Panel Superintendent is to monitor contractor performance

9.3 Engagement from Panels

A CGD officer that engages a Contractor from a panel is to:

- develop a Scope of Works
- assess OHS risks related to the Scope of Works
- ensure contractor has systems in place to manage OHS risks related to the work being performed under the Scope of Works
- provide contractor with a Purchase Order which includes relevant OHS terms and conditions before work commences
- provide induction training if working on CGD premises and contractor has not previously been inducted on to the site
- monitor works to verify that contractor is following their OHS risk management processes and practices
- report any incidents or non-conformances to the Panel Superintendent

10. Review

On completion of the contract, the Contract Superintendent will complete a Contract Performance Review Report. This will be used to assess and report on matters such as:

- compliance with CGD OHS requirements
- compliance with contractual OHS requirements
- incidents and injuries
- suitability to be retained as a preferred contractor, or on a Panel.

OHS Contractor Management Procedure	This Document is Uncontrolled when Printed		Responsible Officer: Team Leader Risk & OHS
Version: 1.0	Issue Date: Aug 2018	Next Review: Aug 2021	Page 8/12

OHS Contractor Management Procedure

Results from this review are to be made available to relevant Project / Contract Superintendent in CGD to better inform future project planning, risk assessment and contractor selection.

OHS Contractor Management Procedure	This Document is Uncontrolled when Printed		Responsible Officer: Team Leader Risk & OHS
Version: 1.0	Issue Date: Aug 2018	Next Review: Aug 2021	Page 9/12

OHS Contractor Management Procedure

11. Overview of Contractor Requirements

Contractor Category	Example Contracted Service Types	Contractor Requirements	CGD Requirements
Service Providers Low Risk	- Consultants - Auditors - Insurance - Lawyers - Trainers	- Public Liability Insurance \$20M (minimum) - Professional Indemnity Insurance (variable from contract to contract) - Workers Compensation Insurance	- OH&S Clause on Purchase Order - Purchase Order to be sent to Contractor - OHS Induction via Visitor-sign In Register - Monitor contract performance
Minor Contract Medium Risk	Maintenance Works (not being high risk construction work as defined in OHS Regulations) including: - Cleaners - Carpenters - Electricians - Plumbers - Painters - Glaziers - Pest / Weed Controllers - Garden / Tree Maintenance - Any other service that involves: - Manual Handling - Use of chemicals - Power tools - Powered mobile plant - Work at heights (below 2 metres) - Hot work - Masonry Dust (Crystalline Silica) - Asbestos (non-disturbance)	As listed in Service Providers; plus - Prequalification: - Prequalified Contractor Database; or - Panel arrangement; or - Through RFQ and Tendering process - Contractor's OHSMS to address all obvious risks associated with type of service provided - Licenses as required	- Scope of Works to be prepared and provided to Contractor prior to quoting / tendering - Identify obvious risks associated with works - Ensure contractor's OHSMS addresses all obvious risks identified - Procurement in line with CGD's Procurement processes - OH&S Clauses on Purchase Order or Contract Document - Purchase Order or Contract Document to be sent to Contractor prior to works commencing - Pre-award risk meeting to review risks and controls related to contracted works prior to works commencing - Award Contract prior to works commencing - Induct Contractor prior to works commencing - Monitor contract performance using OHS Contractor Audit Tool once works have commenced and throughout

OHS Contractor Management Procedure

11. Overview of Contractor Requirements

Contractor Category	Example Contracted Service Types	Contractor Requirements	CGD Requirements
Major Contract High Risk	- High Risk Construction Works as defined in the OH&S Regulations - Construction work over \$350,000 - Minor Contract that extends beyond 12 months - Complex works	As listed in Minor Contract; and - SWMS's for high risk tasks Additional requirements for all construction works over \$350,000: - OHS Accreditation (4801, SafetyMap, Vic Roads Prequalification or equivalents - Contractor appointed as OH&S Principal Contractor under the OH&S Regulations - OHS Co-ordination Plan	contract period - Issue non-conformance notices for any non-conformance findings - Suspend or terminate contract for repeated or serious non-conformance As listed in Service Providers and Minor Contract above. - Monitor contract performance using Contractor OHS Performance Monitoring Worksheet

12. References

Occupational Health and Safety Act 2004

Occupational Health and Safety Regulations 2017

National self-insurer OHS management system audit tool (NAT), version 3

13. Related Documents

CGD OHS Policy

Risk Management Procedure

OHS Responsibility Procedure

Contractor Risk Management Booklet (Including OHSMS Questionnaire)

Contractor Management Manual (Schedules including Non-Conformance Report)

Contractor Induction Handbook

Contractor Induction Checklist

Procurenet (Purchasing Tool in Webstar)

Rapid Global (Online Contactor Management Portal)

14. Document History

Version Number	Issue Date	Description of Change
0.1		1 st Draft from MAV / JLT
0.2	12.07.2018	Accepted by OHS Policy Sub-Committee
0.3	06.08.2018	14 Day Employee Consultation
1.0	Aug 2018	Approval by OHS Oversight Committee