

Effective Contractor Management

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Agenda

- Overlapping duties
- Contractors responsibilities
- Potential problem areas
- Contractors or subcontractors health and safety system
- Cooperation, consultation and coordination
- Penalties for health and safety failures
- Advantages of using contractors
- The importance of contractor induction
- 6 steps to good contractor management
- SiteWise Prequalification

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Overlapping Duties

- “Overlapping” health and safety duties. Duties will overlap in a shared workplace, or in a contracting chain, where contractors and subcontractors provide services to a main contractor or client.
- Both parties (the client and the contractor) have a **duty of care** under the health and safety act.
- Similarly, **if the contractor uses subcontractors** to carry out some or all of the work, **all parties** will have some health and safety responsibilities.
- Businesses must **consult, cooperate and coordinate** activities with **all** other businesses they share overlapping duties with.

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Contractors Responsibilities

- Complying with the HSW Act 2015 and any other relevant legislation, guidelines and & codes of practice.
- Keeping the work area safe, secure and following the site safety plan.
- Ensuring they and their workers are suitably qualified, competent and trained to undertake the work required or are supervised by a competent person.
- Being aware of the risks associated with known hazards and have adequate control measures in place.
- Reporting accidents/incidents and near misses within the prescribed timeframes.

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Contractors Responsibilities

- Understand what a notifiable event is and report notifiable events as soon as possible to WorkSafe.
- Using PPE or other safety equipment in the correct manner.
- Being familiar with the site emergency plan.
- Not working while impaired by the effects of drugs or alcohol.
- Not threatening, harassing or intimidating other people.
- If in doubt, STOP work and ask.

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Potential Contractor Problem Areas

- Brand not be adequately resourced to effectively manage contractors
- Contractors may use subcontractors which may not be apparent to the Brand; who may not be under the effective supervision of the contractor.
- Difficult for Brand to accurately assess the extent of contractor control over their subcontractors.
- Contractors may not have the same level of safety commitment or safety culture as the brand.

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Potential Contractor Problem Areas

- Contractors may change experienced personnel without notifying the Brand.
- Issues with contractors (such as lack of resources, poor safety performance etc.) may not be identified before a contract is signed.

It is critical that Brands understand how to manage these types of arrangements.

Every Brand should have a defined procedure within their health & safety system that fulfils the minimum requirements for contracted services.

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To ensure contractors or subcontractors health and safety, each party must:

- Identify the requirements of the job and assess the risks involved
- Decide what information and training is required
- Select an appropriate contractor and **ascertain their health and safety policies and procedures**
- As the contractor, find out about subcontractors' competence
- Review the way work is carried out and the risk assessment

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To ensure cooperation, consultation and coordination between you / your staff and the contractors / subcontractors, Brands should:

- **Provide** all parties with information, instruction and training on anything that may affect their health and safety
- Make the contractors / subcontractors aware of **your** health and safety procedures and policies
- Provide management and **supervision** to ensure the safety of contractors / subcontractors

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Penalties for health and safety failures

Failure of the Brand to ensure the following, will result in a costly penalty, so.....

- ensure the contractor's / subcontractor's competence
- supervise the contractor / subcontractor
- provide information about the existence of asbestos
- ensure safe operation of vehicles
- ensure safe loading to or unloading from delivery vehicles
- exercise a duty of care towards a contractor / subcontractor
- provide a formal site induction, risk assessment or method statement

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Advantages of using contractors

Advantages include:

- Specialist skill sets can be brought in without any long-term commitments.
- Contractors can be effectively integrated into a client's safety management processes.
- Effective for one-off jobs, specialist expertise, fast turnaround and more flexibility
- Contracting work out enables your permanent staff to concentrate on the core business.
- Contractors can start at short notice, even when large numbers of workers are required.
- You can specify the type and duration of contract you need for the contracted job.
- You have no ACC contributions for contractors.

Your H&S system must be able to manage any potential risks and **understand that contractor activities nearly always increase the risk profile of the Brand.**

Regardless of contractor experience and safety performance, everyone who works for you needs to know how to work safely and without risks to health.

You must provide clear instructions, information and adequate training.

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Contractor Induction

An efficient induction system should at least cover the following topics:

- A brief introduction – (About the company)
- Qualification, Experience and Reference checks
- Contract T&C's
- Equipment requirements and systems of work overview
- PPE requirements
- Environment, Health and Safety
- Welfare and facilities – (Toilets, security, smoking area, first aid kits etc.)
- H&S Policies and procedures
- Role Specifics

Remember every business is different, only include what applies to your company. Don't be afraid to add in additional content.

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Six Steps to Good Contractor Management

1. Scoping the work
2. Prequalifying the contractor
3. Choosing the contractor and setting terms
4. Awarding the contract
5. Monitoring the contract
6. Post-contract review

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1. Scoping the Work

- Think about safety from the start
- Consider the works 'whole-life' costs
- Go over the plans and think about if there are better, smarter, safer ways of getting the job done e.g. pre-assembly, glazing, etc..
- What risks do you need to plan for – e.g. heights, access, unloading.
- How will this affect pricing – e.g. cost control to reduce costs
- Consider industry standards – e.g. PPE, Working at Height, etc.

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2. Pre-Qualify the Contractor

How can you assess the capability of potential contractors?

- Online prequalification tools such as SiteWise help
- Your own past experience with them, word of mouth, referrals, etc.
- H&S Questionnaires (A22)
- Previous Site Specific Safety Plans (SSSP) issued
- Post-contract reviews
- Accreditations (Q-Safe, SiteWise Green, ISO45001, etc.)
- ACC Experience rating

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3. Choosing the Contractor & Setting Terms

To make sure all parties are on the same page. The below information should flow between you, the main contractor and subcontractors:

- Brand and principal contractor's specific H&S expectations and requirements, including SSSP
- Risks known in the methods, plant and material
- A plan for managing risks as a team
- Permits, emergency plans, training needs, reporting process, etc.
- Health and safety information on location, layout, site conditions, etc.
- Public health, safety and environmental issues
- Certificates of competence, training, insurance, accreditations

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4. Awarding the Contract

The principal contractor must agree to the health and safety standards for each contractor, including the methods of communication, personal responsibility and accountability.

Some of these requirements might include:

- Specific information relating to nature of site e.g. schools, prisons
- Permits to Work, Task Analysis, SSSP
- Certificates of Competence (LBP, etc.)
- Other plans and practices for high-risk work and critical risks
- Training records, Site-Safe Passports, etc.
- Drug and alcohol policies and hazardous substance information

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5. Monitoring the Contract

Regularly check Contractor performance against the H&S activities you agreed to monitor and let them know how they are doing.

Useful tools to monitor contractor safety include:

- Site Specific Safety Plans, Task Analysis, Permit to work
- Toolbox Talks, inductions
- Workplace observations and feedback, audits
- Safety training, competency and supervision
- Safety meetings, safety walks and inspections
- Hazard and risk reporting

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6. Post-Contract Review

At the end of the project, review contractor performance.

A two-way process where the Brand and contractor both provide feedback to each other. This means lessons can be learnt, and health and safety improved on the next project. Think about what went well and why.

By improving the contractor management process, you improve the health and safety of workers on future projects.

Ways to review include:

- Post-contract two-way review meetings
- Evaluation forms and reports
- Incident/accident reporting and close out actions taken
- Incident and injury rates
- Toolbox talks, safety plans, site audits, sign-off on registers / reports, certificates

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The Site Safe 'SiteWise' Prequalification



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SiteWise in a nutshell....

- SiteWise is an online prequalification system developed and powered by Site Safe NZ which grades a contractor's health and safety capability.
- Main contractors and principal organisations who have signed up to use SiteWise can view the results of the contractor's assessment through the SiteWise Contractor Database.
- All contractors who sign up to the SiteWise system complete an annual health and safety assessment with the goal of achieving SiteWise Green status.
- It costs \$195+gst for the Sub-Contractor assessment annually (Level 3)

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SiteWise Green Grading

- A green grading in SiteWise means you've achieved a grade of 75% or above on your annual assessment.



Getting to green means:

- You have proven that you have health and safety systems in place.
- Being listed as a green business on the database that shows principals / clients your grading.
- Receiving a report and certificate detailing your green grading.
- SiteWise green badge, with a date stamp that you can use on your promotional material such as email signatures or tender documents

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The Assessment

Once you've signed up to SiteWise as a contractor (level 3 user) you'll be asked to complete an annual **12-step** online health and safety assessment.

For each question you'll be asked to upload evidence which will be used to calculate your SiteWise score. The evidence you upload **must be less than 12 months old**. At any point you can save your questionnaire and come back to finish it later.

The assessment covers:

- Insurance policy information
- Site Specific Safety Plans
- Accident/incident reporting and investigation
- Hazard management
- Training
- Employee and subcontractor engagement
- Health monitoring and performance

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Question 1 - What insurances does your business hold?

For this question SiteWise are looking for evidence of company insurances such as Public Liability, Indemnity, Vehicle, General business insurance or other insurance appropriate for your business.

Select all insurances that apply and click "Add Insurance Type".

Ensure that expiry dates are noted. Out of date insurance policies are not valid evidence.

You will need to upload documentation such as Policy documents, certificates or covering letters from your insurance company to support your answer.

- No valid insurance information provided
- Valid insurance documentation provided
- Other insurances provided

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Question 2 - Do you use a Site Specific Safety Plan or Safety Management Plan for the work you undertake?

If you use a SSSP, upload a recent comprehensive example (**within the last 12 months**).

A comprehensive example of a SSSP should include the following:

- a signed agreement or statement of intent (signed by both PCBU 1 & PCBU 2),
- a hazard/risk register,
- a completed T/A, JSA or SWMS,
- a record of training and competencies for workers,
- an emergency response plan,
- toolbox meetings or pre-start discussion minutes,
- an inspection checklist,
- an incident/accident register and
- a hazardous substance register and/or inventory (if used)

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Reference H&S Manual Forms and Templates

H&S Manual Appendix Forms:

- B01 – Site Specific Safety Plan (SSSP) Template
- A05 – Hazard & Risk Register,
- A24 – Task Analysis (T/A)
- A11 – Skills Matrix (a record of training and competencies for workers)
- A18 - Emergency Response Plan & Contacts
- D06 – Weekly Toolbox Meetings Minutes
- A08 – H&S Inspection Checklist
- A13 – Incident and Injury Register
- A07 - Hazardous Material Register and/or inventory (if used)

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Question 2 - If you do not use a SSSP or Safety Management Plan, upload a copy of your Health and Safety Policy and Procedures.

If you do not use a SSSP or Safety Management Plan due to the type of work you carry out, provide a copy of an **up to date** and **relevant health and safety policy and procedures or SOP** (safe operating procedures) which is **signed and dated** and appropriate for your business.

- No evidence provided
- Generic work plan or SSSP
- Incomplete example but site specific and/or PCBU signatures missing.
- Comprehensive example of a SSSP or safety plan, signed and dated
- Company Policy & Procedures / Safe Operating Procedures
- Other:

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Reference H&S Manual Forms and Templates

H&S Manual Appendix Forms:

- A01 – Health & Safety Policy Statement
- A06 - SOP Template (develop for site specific activities, i.e. working at height, glazing, installation, etc.)

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Question 3 - How often are H&S meetings or briefings held?

Provide evidence that safety meetings or 'toolbox talks' are taking place and how frequently. The greater the frequency, the higher the score you will achieve

In order to verify frequency, provide **at least three** consecutive examples.

For sole traders, this question is eliminated and marked as not applicable.

- No evidence provided
- Infrequent with minutes recorded
- Monthly with minutes recorded
- Fortnightly with minutes recorded
- Weekly or greater with minutes recorded
- Sole Operator (No employees)
- Other

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Question 3 - Reference H&S Forms and Templates

H&S Manual Appendix Forms:

- D06 – Weekly Toolbox Meetings Minutes
- A17 - Health and Safety Meeting Agenda and Minutes Record

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Question 4 - Do you investigate all incidents and have a process to record incidents including near misses?

Provide evidence such as completed incident investigation forms for any injuries or near misses that have occurred **in the last 12 months**.

If no incidents or near-misses have been reported or investigated, provide a **copy of your accident register** which has been **signed off periodically** showing no incidents or near-misses have occurred during that time frame.

- No evidence provided
- Yes but little evidence of investigations provided.
- Incident/Accident register only
- Only serious incidents are recorded and investigated
- All incidents are investigated, recorded & discussed with staff
- Other

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Question 4 - Reference H&S Forms and Templates

H&S Manual Appendix Forms:

- A13 - Incident and Injury Register
- A14 - Investigation Report Form

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Question 5 - How do you manage the safety of sub-contractors you engage?

If you engage sub-contractors, (other than labour only arrangements) provide a copy of a subcontractor's SSSP or safety plan that has been completed by the sub-contractor and signed off by both the sub-contractor and yourself.

There should also be a **completed evaluation form filled in** which shows that the SSSP has been reviewed to ensure all relevant information has been included.

- No evidence provided
- Have requested a safety plan but not received it. Provide evidence of the request
- Received example of a safety plan but not reviewed with the sub-contractor
- Checklist used, reviewed and followed up with the contractor
- Do not engage sub-contractors
- Other

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Question 5 - Reference H&S Forms and Templates

H&S Manual Appendix Forms:

- A20 - Contractor Induction Record
- A21 - Contractor Health and Safety Acknowledgement
- A22 - Contractor Health and Safety Questionnaire
- Contractor Safety Plan
- Contractor SSSP

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Question 6 - Are you and your workers trained and competent for all aspects of the work you are/will carry out?

Provide **evidence of your workers' qualifications** and/or training and competencies.

Also, include **years of experience, level & expiry dates** where applicable.

Workers should be trained to at least the minimum required by legislation, regulations and/or approved codes of practice, standards and industry best practice.

Points will be awarded if you can show you are working towards attaining certain standards.

Upload a selection of certificate / licence copies (**2-3 examples minimum**).

Evidence should include:

- all health and safety based training,
- skills training,
- trade licences (LBP)
- trade certifications,
- equipment & operator licences and years of experience

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Question 6 - Are you and your workers trained and competent for all aspects of the work you are/will carry out?

- No evidence provided
- Some industry training and/or years of experience
- A range of industry qualifications and health and safety training records
- Comprehensive health and safety and industry training including competency levels with evidence of updates
- Other

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Question 6 - Reference H&S Forms and Templates

H&S Manual Appendix Forms:

- A10 - Induction Record
- A11 - Skills Matrix
- A12 - Attendance Record
- Certificates / Licenses

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Question 7 - How do you record hazards and risks in your workplace?

Provide evidence that you have a **systematic process** in place to identify risks and how you assess the level of risk.

Evidence could include a copy of a **risk register or a risk assessment** which links risks and hazards to specific scope of works and shows it is assessed, monitored and updated if required.

- No evidence provided
- Hazards board used and supported by several examples showing updates
- Basic documented list of hazards
- Hazard register with some listed hazards and controls
- Comprehensive and Site/Job specific hazard register
- Other

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Question 7 - Reference H&S Forms and Templates

H&S Manual Appendix Forms:

- Section 2 of the Window & Glass Association H&S Manual (Process)
- A04 - HAZID Form
- A05 - Hazard and Risk Register
- A12 - Attendance Record
- A24 - Task Analysis Worksheet

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Question 8 - What inspections do you carry out for the work you do?

Provide evidence that you have a structured approach which allows you to carry out inspections that may be required (copies of completed site inspection checklists or safety audits). **At least three examples** are required to verify frequency and follow-up.

Registers showing **inspection prior to work commencing or other regular inspections** which may be carried out in relation to the work you do would be relevant evidence for this question.

NB: If you do not work on, or visit construction or building sites, other examples of inspections may include vehicle, office or plant and equipment, equipment, etc.

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Question 8 - What inspections do you carry out for the work you do?

- No evidence provided
- Infrequent inspections, with records kept
- Regular inspections, with records kept but no review or updates
- Comprehensive inspections with records showing reviews and updates
- Other

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Question 8 - Reference H&S Forms and Templates

H&S Manual Appendix Forms:

- A08 - Health & Safety Inspection Checklist
- A25 - Forklift Inspection Checklist
- D06 - Weekly Toolbox Meeting Minutes Template and Checklist
- Truck / Van / Vehicle inspection reports

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Question 9 - How do you plan for high risk or critical risk activities?

Provide evidence that **planning is in place** for any high risk work carried out by your company. This could include but is not limited to the following:

- Remote or isolated tasks,
- atmospheres with the potential to cause fire or explosion,
- raised and falling objects including crane work,
- working in enclosed spaces,
- working at heights,
- high voltage or electrical works,
- unguarded machinery,
- working on or near roads,
- substances hazardous to health,
- all notifiable works.

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Question 9 - How do you plan for high risk or critical risk activities?

- Evidence could include a copy of a detailed and comprehensive example of a Task Analysis, JSA or SMWS and include evidence of staff participation e.g. toolbox talk minutes, staff signatures.

NB. If significantly hazardous work is not undertaken by your company, select the appropriate option below and this question will be marked as not applicable; if agreed by the assessor.

- No evidence provided
- Generic or "SOP" document used
- Example of T/A, JSA, SWMS or similar showing process but lacking detail
- Detailed task analysis, JSA or SWMS including risk assessment and discussed with those involved with the work
- We do not carry out significantly hazardous work
- Other

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Question 9 - Reference H&S Forms and Templates

H&S Manual Appendix Forms:

- D06 - Weekly Toolbox Meeting Minutes Template and Checklist
- A17 - Health and Safety Meeting Agenda and Minutes Record
- A06 - Safe Operating Procedure Template
- A24 - Task Analysis Worksheet
- A04 - HAZID Form
- A05 - Hazard and Risk Register

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Question 10 - How do you monitor the health of workers who are, or may be exposed to hazardous conditions, products or substances due to the work they carry out?

If health monitoring is required, points will be awarded for **regular monitoring**, **pre-employment** health checks and if required, could include a **risk assessment** which has been completed to verify whether or not health monitoring is required and **how often**, or a combination of any/all of the above.

Evidence of health monitoring could include:

- hearing tests for exposure to noise,
- lung function tests for exposure to dust, fumes or chemicals,
- mole mapping and
- vision tests.

Evidence of completed health tests should be supplied by a registered health professional but do not need to contain names or any personal details.

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Question 10 - How do you monitor the health of workers who are, or may be exposed to hazardous conditions, products or substances due to the work they carry out?

- If there is any doubt about your workers exposure to hazardous conditions, a **risk assessment** completed by a suitably qualified person to justify why health monitoring is not required, should be carried out.
- A qualified person could include an occupational health practitioner / provider / therapist or similar.

NB: If you are a sole trader or feel that this question does not apply to your workers, select the option that makes this question “Not applicable”.

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Question 10 - How do you monitor the health of workers who are, or may be exposed to hazardous conditions, products or substances due to the work they carry out?

- No evidence provided
- Pre-employment or baseline testing only
- Regular health monitoring or evidence of monitoring in the last 12 months
- Pre-employment or baseline and regular health monitoring
- No employees or, workers have no exposure
- Other

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Question 10 - Reference H&S Forms and Templates

H&S Manual Appendix Forms:

- Health monitoring providers reports
- A04 - HAZID Form
- A28 - Occupational Health Assessment Declaration (Pre-employment)

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Question 11 - If you use or store hazardous substances, products or materials, please provide evidence of how you manage this aspect of your business?

If you use or store potentially hazardous substances, products and/or materials, do you **maintain a hazardous substances inventory/register?**

Provide evidence such as SDS sheets (**2-6 examples is sufficient**), **registers and inventory information including T/A's or SOP's covering application.**

NB: If you do not use or store hazardous substances, products or materials, select the appropriate option below and this question will be marked as 'not applicable'.

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Question 11 - If you use or store hazardous substances, products or materials, please provide evidence of how you manage this aspect of your business?

- No evidence provided
- No records available but some SDS sheets supplied
- Basic hazardous substance records available along with SDS sheets
- Comprehensive hazardous substances Inventory/register, SDS sheets and SOP's T/A etc covering safe handling and application
- N/A - We do not use or store hazardous products, substances or materials
- Other

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Question 11 - Reference H&S Forms and Templates

H&S Manual Appendix Forms:

- SDS Documentation (2–6 examples)
- A07 - Hazardous Material Register
- A06 - Safe Operating Procedure Template (involving chemicals)
- A24 - Task Analysis Worksheet (involving chemicals)

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Question 12 - Has your company been investigated by Work Safe NZ, Civil Aviation or Maritime NZ in the last 5 years

Provide any relevant information from the previous 5 years.

- No
- Yes (please provide details)

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- Advantages of using contractors
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Presentation End

Q & A

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