

Occupational Health, Safety and Welfare Policy and Procedure

CONTRACTS FOR SERVICES



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Authorised Date: 15 November 2006

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1.0 Statement of Intent

The City of Marion is committed to developing a workforce culture that adopts a preventative approach to ensure Occupational Health, Safety and Welfare requirements are met through business excellence principles linked to the City of Marion's Strategic Plan.

The City of Marion approach to managing Contractors will be such that they have an integral role in achieving the above philosophy. As such, the City of Marion will seek to engage only those Contractors who can demonstrate a commitment to the same principles and have effective Occupational Health and Safety management systems and practices.

Whilst recognising that some detailed aspects of the documentation and application of this procedure are yet to be developed and implemented by relevant Officers, it is the objective of the Council to reach compliance within the first review period for the procedure.

2.0 Purpose

The purpose of this procedure is to provide practical guidance in how to meet the requirements of The South Australian Occupational Health, Safety and Welfare Act 1986, Clause 4(2) in particular.

3.0 Application

This procedure applies in all cases of a contractor being retained by Council under a Contract for Service.

4.0 Definitions

“Agency Staff,” (Labour Hire Employees) are not considered to be City of Marion employees, nor are they Contractors as they are generally under the supervision of City of Marion staff and work alongside City of Marion staff undertaking similar tasks. As a result, the City of Marion has a responsibility to ensure they comply with all OHS requirements and must undergo an induction, which is commensurate with the induction undertaken by City of Marion staff.

“Contract for Service,” means a contract for a parcel of work which can be clearly defined and where the Contractor is totally responsible for its delivery. This includes the methodology, supervision of staff, payment of staff, insurance and responsibility for occupational health and safety.

“Contractor,” means an organisation or individual engaged by the City of Marion to undertake defined tasks on a Contract for Service basis.

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5.0 Contract Risk Assessment

Prior to approaching the market, the City of Marion will undertake a risk assessment of the work to be performed. This will include an assessment of the OHS risks. This risk assessment will be undertaken by a person or team competent to do so and may include officers from the City of Marion's OHS Unit.

Note. The scope and content of this risk assessment will depend upon the extent to which the Contract services fall within the functions of the Council and the technical competencies of Council staff e.g. An OHS risk assessment of the activities of a road surfacing contractor would be within the scope and competence of Council, but that of the installer of sophisticated electronic communication equipment may not.

The results of the risk assessment will be used to determine the type of information required to be provided to and by prospective Contractors in the market document.

6.0 Pre-Qualification of Contractors

In the process of calling tenders for services, seeking expressions of interest, or in response to a request from a potential contractor, the City of Marion may evaluate the service offerings and OHS Systems of a Contractor for the purposes of pre-qualification.

Potential Contractors will be required to provide sufficient documentation to demonstrate capability in managing the OHS risks associated with the type of work within their scope of service offerings. This may include, but not be limited to:

- *OHS Policies*
- *OHS Procedures*
- *OHS Management System*
- *Evidence of performance in the form of incident and injury statistics.*
- *Safe Work Practices*
- *Competency of staff in relation to OHS*
- *Induction and training*
- *OHS consultation*
- *OHS performance monitoring*
- *Competence, licences and accreditation requirements*
- *Evidence of plant compliance with standards and of risk assessments*
- *WorkCover Registration and Insurance information*

The evaluation of the Contractor's OHS systems and processes will be undertaken by an evaluation team competent to do so and may include officers from the City of Marion's OHS Unit.

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A Register of Pre-qualified and preferred Contractors will be established and maintained by the Council.

7.0 Engaging Contractors

Council officers seeking to engage a Contractor are responsible for ensuring that the provisions of this section are met.

7.1 Pre-Qualified Contractors

Where a Contractor has been pre-qualified and,

- the scope of the Services to be performed fall within the pre-qualification criteria and,
- there are no additional risks than those identified as part of the pre-qualification risk assessment,

there is no further assessment of OHS aspects required at this stage.

Where a Contractor has been pre-qualified, but the proposed scope of Services or risk is outside of the scope of the pre-qualification, only those aspects not previously assessed need to be considered.

7.2 Contractors other than Pre-Qualified

Prior to the awarding of a contract to a Contractor that has not been pre-qualified; an OHS capability assessment of no lesser standard than that for pre-qualification must be performed.

8.0 Contract Provisions

The City of Marion will engage Contractors with a contract that reflects the risks inherent in the work to be performed by the Contractor. The contract will clearly define responsibilities and obligations on both the Contractor and the City of Marion. As a minimum, the contract document will contain the clauses in 8.1 and 8.2, and clauses appropriate to 8.3, 8.4 and 8.5.

8.1 Legislative Compliance

- The Contractor shall comply with the provisions of the Occupational Health, Safety and Welfare Act, 1986 and all associated regulations (as amended from time to time) and will ensure that its own employees and any sub-contractors will comply with the Act and all regulations, improvement notices, prohibition notices and codes of practice issued there under and having application to the Contract.*

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- (b) *The Contractor will inform itself of all occupational health and safety policies, procedures or measures implemented or adopted by the Council and/or the occupiers of any premises at or within which the Contractor will perform Services under this Contract. In the event of any inconsistency, the Contractor will comply with such policies, procedures and measures as to produce the highest level of health and safety.*

8.2 Incident Notification

- (a) *Where the Contractor is required by the Occupational Health, Safety and Welfare Act 1986 or by any other regulations to give any notice of an accident occurring during the performance of the Services, the Contractor shall at the same time or as soon thereafter as possible in the circumstances give a copy of the notice to the Council.*
- (b) *The Contractor must promptly notify the Council of any accident, injury, property or environmental damage that occurs during the carrying out of the Services. All lost time incidents shall be immediately notified to Council. The Contractor must and within 3 days of any such incident provide a report giving complete details of the incident, including results of investigations into its cause, and any recommendations or strategies for prevention in the future.*
- (c) *The Contractor must promptly notify the Council of any Improvement or Prohibition Notice served on the Contractor by an Inspector, in relation to the contract.*

8.3 Indemnity and Insurance Provisions

All contracts will contain appropriate indemnity and insurance provisions. Council requires, as a minimum, a Contractor to have \$10 million of public liability insurance and be registered with WorkCover or adequately insure against accident, personal injury and disability.

The indemnity must be in a form that provides protection for the Council against any claim; loss or damage caused by the Contractor and should not be limited.

8.4 Breach of OHS Obligations

The contract document will provide remedies for a breach of the contract including a breach of the Contractor's OHS obligations. These may include suspending the Services or terminating the Contract.

8.5 Special Conditions of Contract

Additional special conditions of contract may be inserted depending on the nature of the Services and are available on the Lotus Notes Welcome page under Contracts.

9.0 Contract OHS Risk Information

As far as is reasonably practicable, the contract documentation should advise the Contractor of known hazards and OHS risks associated with the services to be provided.

10.0 Contract Administrator

For each Contract, the City of Marion will appoint a competent Contract Administrator who will be responsible for the Contractor's performance including its OHS obligations. The Contract Administrator will be identified prior to any market approach and where appropriate, will be included in the procurement team.

11.0 Contract Handover

The Contracts Officer will provide a contract handover report to the Contract Administrator detailing the key issues in relation to the contract including OHS risks and mitigation strategies.

12.0 Risk Assessment by the Contractor and Work Procedures

Prior to commencing work, the Contractor will be required to provide the City of Marion with a risk assessment for the specific work to be undertaken and copies of Safe Work Procedure(s) (SWP) applicable to that work.

The City of Marion will review the risk assessment and SWP for completeness including a comparison with the initial risk assessment undertaken by the City of Marion prior to approaching the market.

13.0 Induction

13.1 Contractor Induction

Prior to commencing work, the Contractor will be required to provide the City of Marion with evidence that all Contractor and Sub-Contractor employees have undergone an induction appropriate to the work to be undertaken.

13.2 City of Marion Induction

Where Contractors are undertaking Services on a Council site, the Council may require the Contractor's personnel to undergo a City of Marion Occupational Health and Safety induction prior to commencing the Services.

14.0 Use of Subcontractors

Where a Contractor intends to subcontract any portion of the work, it must be able to demonstrate that the subcontractor has OHS systems and practices in place commensurate with the risks inherent in the work. This in no way alleviates the responsibility for OHS from the Contractor.

15.0 Contract Management

The Contract Administrator is responsible for ensuring the Contractor complies with the OHS management systems and processes and risk management strategies outlined in the documentation provided during the tender process or prior to commencing work. This will include compliance to the relevant City of Marion policies and procedures where applicable.

The level of monitoring of the Contractor should be commensurate with the risks inherent in the Services and the length of the job and should include site visits where applicable.

A site inspection checklist is available on the Lotus Notes Welcome page and should be used to document the outcomes of a site visit including any follow-up action required. Checklists should be placed in the file for future reference, particularly in the case of an incident or accident.

In the case of non-compliance by a contractor, the Contract Administrator must take action commensurate with the risk posed by the non-compliance. This may include:

- A direction to cease work in the case of imminent danger to any person or property.
- Immediate verbal and subsequent written notification of the Contractor of the non-compliance.
- Verbal and subsequent written direction as to corrective measures deemed necessary.
- Negotiation of corrective measures with the Contractor.
- The application of sanctions available under the Contract, including suspension or cancellation, in the case of serious and/or prolonged non-compliance.

Note. Non-compliance includes a Contractor failing to perform work in accordance with its own nominated SWP.

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16.0 Contract Completion and Closeout

On completion of the contract, the Contract Administrator must ensure that an assessment of Contractor performance against the Contract conditions is performed and that copies of the assessment are:

- included in the Contract file and,
- forwarded to the Council Contracts Department and,
- forwarded to the Contractor for information and comment if the Contractor wishes.

Acting on the contents of a Contract assessment, the Contracts Department should confirm or modify the position of the Contractor on the register of pre-qualified and preferred Contractors.

17.0 Review and Evaluation

This procedure shall be reviewed at least three yearly, in consultation with the Occupational Health and Safety Committee and that review should include:

- Consultation with employees and managers, particularly those using this procedure, on the effectiveness of the procedure.
- A review of Contractor performance through a study of a sample of contract assessments and changes made to the register of pre-qualified and preferred Contractors.

Signed: _____
Chairperson – OHS Committee

Date: _____

Signed: _____
Employee Representative

Date: _____

History

This procedure replaces:

- Policy 22 – Occupational Health, Safety and Welfare Contractors
- Procedure 7.01 – Contractors – OHS Requirement
- Procedure 7.02 – Health and Safety for Contract for Service
- Procedure 7.03 – Use of Contractors/Employees of Contractors/ Employees from Agencies