

Contractor Management Procedure

Purpose

Skillset Limited ('Skillset') has a duty under the NSW Work Health and Safety Act and Regulations 2011 (the 'Legislation') to prevent and/or to minimise risk in the workplace, as far as reasonably practicable. Skillset aims to achieve this through consultation and risk management.

Commencement of Procedure

This Procedure will commence from 01/05/2017. It replaces all other Contractor Management procedures of Skillset (whether written or not).

Application of Procedure

This Procedure applies to workers (employees, agents, contractors (including temporary contractors as otherwise defined under WHS legislation) of Skillset, collectively referred to in this procedure as workers.

Procedure

This procedure outlines the responsibility of managers when engaging contractors, including induction / training, site access, work permits and the ongoing processes related to contractor management.

When a service need is identified that cannot be completed by The Skillset Limited internally, the person requiring this service must contact the relevant Manager so as to engage a contractor who is on the Approved Contractor Database.

See Contractor Management Flowchart (Appendix 1), which has been provided as a quick reference guide to this procedure.

Contractor Prequalification

A contractor/ company will not be registered on the Approved Contractor Database and is not to commence any work until they have provided the following to The Skillset Limited:

- Certificate of Currency for their Workers Compensation, Public Liability and Profession Indemnity (if required) policy in respect of work done in connection with, and during the period of, the contract.
- Where the contractor will sub-contract to another party, the contractor is responsible for the certificate of currency being provided.
- A copy of ABN and full address/contact details.
- Details of the relevant contracting licenses applicable to the scope of the works proposed.

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- Details of relevant qualification where required
- Evidence of General Construction Induction Training Card for each individual contractor undertaking construction or building maintenance.
- All workers engaged by the contractor have completed a site induction prior to commencing work on the site.
- Agree to conditions set out in the Contractor Induction.

Contractor Engagement

Department / Service Manager as per The Skillset Limited procedures will assess the contractor's capability and suitability prior to engagement. This includes ensuring they meet pre-qualification requirements to enable contractor to be included in the Approved Contractor Database.

Where the contractor is not in the contractor database, the Manager will direct the contractor to complete The Skillset Limited contractor pre-qualification procedure.

Managers shall ensure that the WHS requirements are clearly communicated and documented prior to engaging contractors.

Contractor General Induction

The relevant manager will direct all contractors to complete the online general induction training prior to any contractor starting work on site. All workers employed by the contractor to work must complete the induction. The induction should include general Skillset Limited information and specific information relevant to the work being carried out by the contractor.

The general induction is designed to provide contractors with information that enables them to understand The Skillset Limited WHS Procedures and must be attended by all contractors, subcontractors and everyone who works for them. Once a contractor has completed their general induction training, they will receive a certificate which they will be able to use until they receive their Skillset Limited contractor card.

Contractors Commencing Works On The Skillset Limited Sites

Contractors are to liaise with the relevant manager to confirm they are inducted and are ready to proceed with the agreed works.

Contractors are required to sign in and out of Skillset sites.

Before contractors can commence work they must provide the relevant manager with a risk assessment and Safe Work Method Statement (SWMS) specific to work that will be undertaken.

Contractor Orientation Checklist

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Responsible managers must carry out local orientation for contractors using the site.

This is to be completed when the contractors begin work for the first time in that work area.

Verbal updates to contractors are appropriate for any new hazards that the contractor may not be aware of since their last visit.

Work Permits and Disruption Notices

Work Permits are to be arranged through relevant department within each facility or service. The responsible manager is required to assist contractors in accessing work permits.

Contractors must obtain relevant Work Permits before commencing any work. These are to be displayed at the work site where practical. A range of work permits are used, and could include the following:

- Hot work Permit
- Cold Work Permit
- Confined Space Entry Permit
- Electrical Work Permit
- Gas Isolation Work Permit
- Working at Heights Permit

Contractor Work and Ongoing Consultation

Relevant managers or delegates are to ensure regular consultation occurs and issues relating to contractors can be discussed. Regular meetings may need to be established based on the length of the project.

On-going monitoring of the contractor's performance against contractual and WHS requirements should be undertaken by the department or service manager or delegate.

The department or service manager or delegate should consult with workers about possible hazards what may arise from the presence of the contractor on site, including for example, the likelihood of environmental risks, chemical spills, noise and dust.

All parties are to take appropriate action when hazards in the workplace are reported or unsafe working conditions are observed, acting promptly to resolve any WHS issues or disputes concerning contractors at the facility or service.

The department manager or delegate should communicate with the site WHS Manager/ Coordinator for advice as necessary, and in the event of any incident involving a contractor which may be reportable to SafeWork NSW.

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Urgent Works By Un-Inducted Contractors

On occasion, a contractor who is not listed on the Approved Contractor Database may be required to perform **urgent works** to avoid disruption to **critical services**. Where un-inducted contractors are required, the Site Manager carries the risk of the contractor being on site. In this instance, the following actions must occur:

- The Site Manager or delegate must verify the critical nature of the work and authorise the engagement of the contractor.
- The Site Manager or delegate must request the contractor to provide copies of all documents required during pre-qualification as soon as possible.
- The responsible manager must arrange the local induction and provide supervision at all times.
- The Site manager must ensure the contractor commences the process to be registered and inducted as soon as practicable and before the next occasion of service.

Contractors' Specific Requirements

This section outlines some of the specific requirements contractors and sub-contractors are required to adhere to while working on The Skillset Limited sites.

Safe Work Method Statements (SWMS /Job Safety Environment Analysis (JSEA)

All contractors are to provide a SWMS or JSEA/ Risk Assessment that is specific to the task, project and local environment. These statements will provide a description of how the work is to be carried out and identify the safety controls/ measures required to be implemented to control the risks.

Job Safety Briefings

The contractor must train all their workers in the requirements of the SWMS or JSEA's.

Workers` Compensation Insurance

All contractors are required to have current workers compensation insurance coverage for all workers undertaking work on a project. This evidence is supplied to the Skillset Limited prior to engagement.

Public Liability Insurance

All contractors are required to have public liability insurance coverage commensurate with the undertakings of the project.

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Professional Indemnity Insurance

Contractors, in respect to some services provided, are required to have professional Indemnity insurance. This will be requested when required and must be in commensurate with the undertakings of the project.

Chemical Management and Safety Data Sheets (SDS)

Contractors must provide a current SDS for all chemicals used on site or brought into The Skillset Limited facility and stored on-site. SDS' are valid for five years from the date of issue. Contractors must store chemicals in a manner and location that is:

- Secure where unauthorised persons cannot access
- Labelled correctly
- In line with the requirements of storage of hazardous chemicals and dangerous goods.

Electrical Safety

All power leads, portable electrical tools and Residual Current Devices (RCD's) used within The Skillset Limited must be tested and tagged in accordance with Australian/ New Zealand Standard 3760 and legislative requirements.

The following safety rules apply to the use of electrical equipment:

- Electrical leads are to be positioned to ensure they will not be damaged or exposed to wet areas
- Electrical leads must be concealed to avoid trip hazards
- Double adaptors are not to be used within The Skillset Limited facilities
- Prior to electrical works, electrical works permit must be obtained and isolated areas are to be tagged at the switchboard prior to commencing work.

Incident Management

Contractors must:

- Report any incident / accident or near misses that occur during work at the premises.
- Report problems/incidents and actions taken, contractors will refer to the site specific instructions for emergency contact details.
- The outcomes of corrective action taken must be assessed and signed off by the contractor / contractor representative and The Skillset Limited manager responsible for the contract.

Site Access and Exit

Contractors entering the site to perform works and services will be required to sign in and sign out of the premises. This is an important process and ensures the following:

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- Signing in can acknowledge an acceptance and understanding of site safety rules;
- Specific site hazard awareness e.g. presence of asbestos
- Only contractors entered on the **Approved Contractor Database**, with up-to-date details including insurances and induction, are to be permitted on-site.
- In the event of an emergency such as a site evacuation, the contractors sign in/sign out book can be used by the emergency procedures wardens to account for the presence and safety of contractors on site following evacuation.
- Contractors are issued with a visitors badge or some other form of designation which will identify them as bona fide and approved visitor to the site.

On leaving the site, the contractor should be required to declare they:

- have not been subject to, or caused or witnessed, any accidents, injuries or losses; and
- they have not identified any hazards warranting reporting and corrective action;
- all authority to work permits have been appropriately closed out.

Access control of contractors to the company site will also permit monitoring checks to be made in relation to the contractor’s plant and equipment to ensure aspects such as:

- Electrical equipment is in tag and test date;
- Portable RCD safety switches are provided;
- Welding gas cylinders are fitted with flash-back arrestors;
- Prohibited or discouraged tools/equipment, e.g. 9” angle grinders are not brought on site;
- The contractor has or is supplied with appropriate personal protective equipment.

Contractor Evaluation

Contractor evaluation is conducted against the pre-determined criteria in the contract and may include evaluation Key Performance Indicators (KPI’s) such as:

- Completion of project on time
- Completion to budget
- Adherence to WHS requirements.

Feedback sessions should be ongoing during the course of the contractors’ work and problems/incidents addressed as they occur. The results of contractor evaluation should be communicated to the principal contractor.

Issues relating to contractor performance are to be reported by the departmental/service manager and to relevant senior manager. Safety breaches are to be reported to the facility Site Manager and Safety Manager for further evaluation and review. Two negative reports within 6 months may result in the loss of approved contractor status and will necessitate documented changes within an organisation to assess areas of deficiency before the contractor may be re-evaluated.

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Breach of this Procedure

All Workers must comply with this procedure at all times. If a worker breaches this procedure, they may be subjected to disciplinary action including termination of employment. Agents and contractors (including sub-contractors and temporary contractors) may have their contracts with Skillset terminated or not renewed.

Variations

Skillset reserves the right to vary, replace or terminate this procedure from time to time.

Associated documents:

- Contractor Management Policy
- Contractor Management Flowchart
- Contractor Pre-Qualification Checklist
- Approved Contractors Register
- Contractor Corrective Action Report
- Contractor Performance Review
- Contractor WHS Safety Management Plan Review
- WHS Policy
- Contractors End Performance Review
- Preferred Contractor Register

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