

# THE ULTIMATE GUIDE

## TO EFFECTIVELY MANAGING CONTRACTOR SAFETY

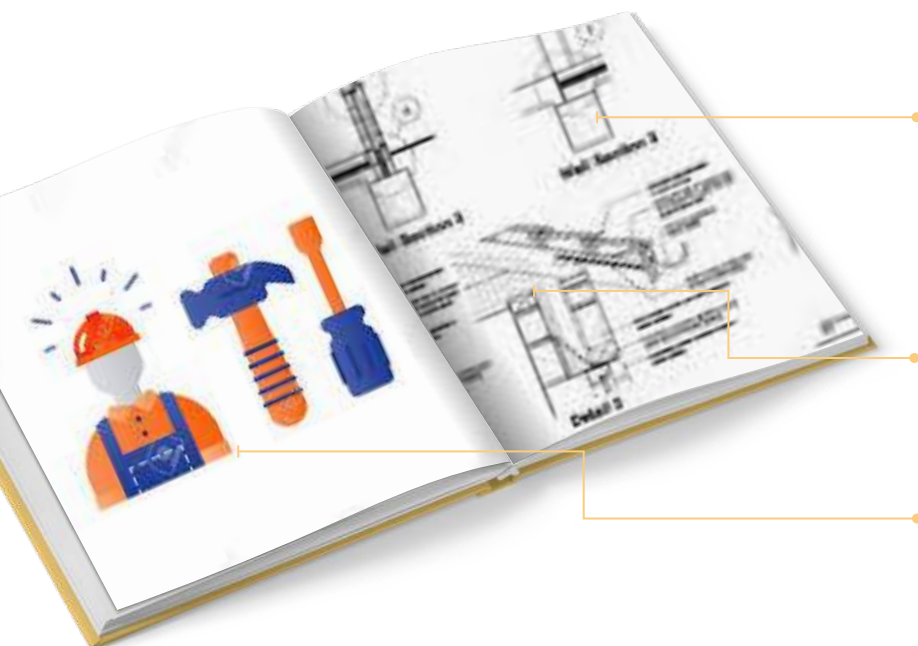
Most organisations will have some measure of a Safety Management System to prevent harm to their workers and to reduce the risk exposure of their business. This results in a healthy workplace, low incident levels and reduced operational costs.

However, this scenario changes when organisations engage the services of contractors. Contractors and their employees are generally speaking a transient workforce. Usually engaged by organisations on a “needs” basis or for their specialist skills and experience, the corporate Safety Management System may not be appropriate for managing the risks associated with their activities at the organisation’s sites.



### THE CHALLENGE OF MANAGING CONTRACTORS

Even when dealing with highly skilled and reputable contractors, there will always be additional risks involved with their engagement. It is likely that they may not be aware of unique risk factors relating to a particular site or project, or the Client’s specific safety systems in place. It is entirely possible that they may not have the required safety documentation, despite being otherwise qualified. Before engaging a contractor you should ask yourself the following questions:



#### QUESTION 1

How do you manage your contractors when they are not directly under your control?

#### QUESTION 2

What are your responsibilities (under Australian WHS Law) for workers on your site?

#### QUESTION 3

Where do your responsibilities for contractors end, and where do theirs begin?

# MEET THIS CHALLENGE BY EXERCISING DUE DILIGENCE

The **RESPONSIBILITY** for the health and safety of the contractor employees sits squarely with the Directors of the Contractor Business. Having said that, the current WHS law in Australia requires Directors and(or) Executives of the Organisation engaging the contractor to have adequate oversight, and more importantly a **DUE DILIGENCE** process, to ensure the health and safety of all workers (including the contractor's employees) at the workplace. Having the relevant **RISK CONTROLS** in place for both the Industry and type of work is extremely important.

## THE FOLLOWING CONSTITUTES A DUE DILIGENCE PROCESS

- 1 . Pre-qualify your contractors with a well-defined set of standards (Validation Criteria) that focuses on the relevant risk controls.
- 2 . Implement an effective and efficient onsite contractor health and safety monitoring process.
- 3 . Receive periodical reports of onsite health and safety activities from the contractor for review, feedback and improvements.
- 4 . Evaluate contractor performance (post work) with a view to engaging good performers for future work.



Complying with a **DUE DILIGENCE** process will give Directors and Officers complete assurance that the health and safety of contractor employees are being managed effectively.

## RISK CONTROLS

The **RISK CONTROLS** that need to be in place must be viewed from both the Contractor Company's perspective as well as their employees, as any failures could lead to possible liability claims on the organisation.

The controls that are required to mitigate the risks associated with a contractor company and their employees will vary in accordance with the industry sector that they operate in. High risk industries such as the mining industry, offshore oil & gas and heavy transport demand much more rigorous controls.



# YOUR BASELINE CONTROLS TO MITIGATE RISK



## TRADING AS A LEGAL ENTITY

The Contractor must “trade” legally. They must be properly registered with an ABN. Companies that are insolvent, bankrupt or de-registered due to any reason should not be engaged.



## SPECIALIST CONTRACTORS

These contractors may need to have specialist licenses to operate (particularly for high risk activities e.g. demolition, asbestos, security etc). It is a legal requirement for such contractors to acquire and maintain these qualifications.



## SAFE SYSTEMS OF WORK

The contractor must provide Safe Systems of Work, along with the requisite training for their employees to work safely. For example, the development of Safe Work Method Statements (SWMS) in consultation with their employees who undertake the task or activity.



## CONTRACTOR INSURANCE

Even with the right process and controls in place, accidents still occur. Contractors need adequate insurance cover for the duration of their service delivery to the Client. These include Public Liability, Professional Indemnity, Workers Compensation and Personal Accident and in instances bespoke specialised insurances. These taken out with the appropriate limits, indemnify all parties concerned including the Public, Contractor (and Employees) and the Organisation engaging them.



## CONTRACTOR QUALIFICATIONS

The safety of the contractor is increased when they are properly qualified and trained to undertake their given work activities. Qualifications (Licences, Checks or Certificates of Competency) will need to be held under three main categories:

1. Trade Related - E.g. Plumbers, Electricians, Welders
2. High Risk Activities - E.g. Working in confined spaces, Working at height
3. Industry Specific - E.g. Police Checks, Working with children Checks, Security Licenses



## ORGANISATION POLICY & GUIDELINES

The Contractor needs to ensure their employees abide by all policies and guidelines while on a Clients site. In any workplace, bullying, harassment, drugs & alcohol, fatigue etc. are considered health and safety issues. Contractor employees must be made aware and reminded periodically, via corporate wide and site specific inductions.



## SITE SPECIFIC HAZARDS & EMERGENCY RESPONSE

All sites have unique hazards that need to be identified, assessed and controlled. Contractor Employees, who only access the site when needed must be made aware of these inherent hazards and implemented controls. Additionally, Employees must also be made aware of the emergency response procedures so that they can evacuate the site efficiently in the event of an emergency. This is usually done through site specific inductions.



## SIGN IN \ SIGN OUT

As Contractor Employees will only be on the Client’s site when required, it is important that their presence at site (or otherwise) is known. This becomes particularly important at times of emergency as all employees on site must be accounted for. A process by which Contractor Employees sign in \ sign out, should be implemented

As a minimum, all organisations (irrespective of Industry or Sector) should embrace these **RISK CONTROLS** as a baseline.

# YOUR SOLUTION FOR CONTRACTOR SAFETY MANAGEMENT

The solution for managing **CONTRACTOR SAFETY MANAGEMENT**, as presented in this guide may appear quite simple. However, for these **PROCESSES** and **CONTROLS** to be effectively **IMPLEMENTED** and **MAINTAINED** requires significant resources and planning.

This is where a Contractor Risk Management System, like **Conserve™** can assist your organisation.



## PROTECTING EVERY WORKER AND EVERY WORKPLACE



Conserve is an online platform that allows you to implement a **DUE DILIGENCE PROCESS** while providing you **OVERSIGHT** of your **RISK CONTROLS**. Being the most affordable solution available in Australia today, **Conserve™** continues to be widely adopted across all major industries.

Contact us for an obligation free quote and demonstration today!