

CONTRACT MANAGEMENT

Document 1a: Contract OHS Management System Guidelines

Last Update: 1 October 2009
Owner: Manager OHS

1. Introduction

Contracted works are no different to other University activities in that they require planning, training, and supervision and care to control hazards and maintain safety standards. Contract Managers must show due diligence in selecting and awarding contracts by ensuring that competent contractors are engaged and that the contractor and their employees carry out the work in a safe manner.

The Contractor Manager is responsible for choosing and enforcing the appropriate control measures with each contract. To a great degree the choice of control measures will be determined by the characteristics of the contract.

2. Classification of Contracts

The classification of contracts assists in identifying appropriate and practicable control measures.

Contract Characteristics	Notes	Resources and Tools
Type of Contract? CT 1 -9	The type of contract is an important factor in determining the types of OHS controls required	See Table 1: Contract Types
Type of Engagement? E 1 - 4	E1: Long term project or service contract (more than 2 weeks) E2: Medium term project or event (up to 2 weeks) E3: Ongoing but intermittent E4: Short term (few hours), one-off or annual	e.g. Construction projects, cleaning, catering, tenancy and security contracts e.g. Minor construction, consultants e.g. Ongoing maintenance contracts e.g. Ad-hoc maintenance, venue hire, event contracts
Hazard level? L/M/H	Low: Serious injury is unlikely Medium: Serious injury is possible High: Serious injury is likely if not well managed (Serious injury is any injury that involves lost time or medical treatment)	See Table 2: Hazard Level

Table 1: Contract Types

	Contract Type	Example
CT1	Major works	Construction, major refurbishments and maintenance where there is a formal contract and the work has a medium to high hazard level
CT2	Minor works	Maintenance and servicing work and small scale construction works May be covered by a contract
CT3	Business services	Ongoing on-site catering Tenancies Independently run contractor operations on behalf of the University operating from Deakin sites. For example a Call Centre working on behalf of the University
CT4	Event Management	Events where the contractor is engaged only for that event
CT5	Light delivery	Couriers Vending machine refills in public areas
CT6	Heavy delivery	Deliveries that require mechanical assistance (forklifts, cranes etc.)
CT7	Casual and contracted staff	Office-based consultants working on-site "Temps" and other office-based labour-hire staff Other temporary staff engaged through labour hire arrangements
CT8	Off-site	Work carried out off-site on behalf of the University where the work has a medium to high hazard rating
CT9	Venue hire	Hiring of Deakin University venues by outside organisations where the University does not provide staff or contractors

Table 2: Hazard Level

	Low	Medium	High
Risk from the Work (Safe System of Work)	<ul style="list-style-type: none"> ▪ Administration ▪ Operation of photocopiers and simple electrical plant 	<ul style="list-style-type: none"> ▪ Technical repairs ▪ Hazardous manual handling ▪ Maintenance of isolated plant ▪ Operation of high speed or hazardous powered plant (guillotines etc) ▪ Event set-up ▪ Public events 	<ul style="list-style-type: none"> ▪ Trades work ▪ Construction ▪ Trenching ▪ Maintenance of energised plant ▪ Operation of powered equipment such as EPVs, cranes, lifts
Risk from the Environment (Safe Work Environment)	<ul style="list-style-type: none"> ▪ Offices ▪ Teaching spaces 	<ul style="list-style-type: none"> ▪ Workshops ▪ Teaching laboratory 	<ul style="list-style-type: none"> ▪ Research laboratory ▪ Construction site ▪ Plant rooms ▪ Confined spaces

Most work will involve a mixture of hazards and therefore a variety of hazard levels. This can be addressed by separately dealing with each hazard level or even each hazard, or by treating the whole work at the highest hazard level.

3. Contractor Management

Contract Manager	Notes
Tendering and Contract Development: Determine and develop contract specifications and carry out hazard assessment of proposed works	
Identify the major hazards associated with the proposed contract.	This may be an iterative process, with University identifying some hazards at this stage with the risk assessment being further developed when the contractor is selected.
Determine the health and safety requirements that are to be incorporated into the contract and the planned service or works.	As needed, consult with end users and those with specialist expertise to help define these requirements for each contract
Determine what health and safety requirements the contractor will have to meet to be considered for selection. This will depend upon the services required.	Ensure any site specific health and safety requirements is determined when the formal contract is being prepared and attached to the contract documents
Contractor Selection including Tender Evaluation: Evaluate tenders against occupational health and safety criteria and ensure they have adequate systems in place to carry out the work safely.	
Take steps to ascertain the competence of each potential contractor to meet the requirements of the contract. This can be done most effectively by checking references including work previously done for the University.	The Contract Manager may develop a list of approved/preferred contractors to call upon at short notice for small contract works, without the need to conduct a separate evaluation of their health and safety management system for each new contract. Contractors on the approved/preferred list should be subject to periodic reviews of their health and safety systems and actual performance
As part of the check, ascertain the contractor's commitment to OHS and the systems they use to maintain a safe workplace. Ensure potential contractors are required to submit details of their health and safety management system with their tender.	The depth of detail required will depend upon: <ul style="list-style-type: none"> • The level of risk associated with Contractor's activities • Complexity of the tasks performed by the Contractor • The control the University has over the work • Interaction with other parties (ie: University employees, other Contractors, public) • Duration of contract
Review the potential contractors' health and safety management system to ensure that they are capable of performing the work safely and meeting the requirements specified. Where possible ask for substantiation through examples, checklists or by discussing with referees.	This may involve review of: <ul style="list-style-type: none"> • Contractor's training and induction system • System for plant maintenance/inspection • How the contractor manages and supervises the work • How the contractor assesses and manages risk.

Contract OHS Management System Guidelines

Contract Manager	Notes
Contract Setup and Finalisation: Work with the selected contractor to develop a safe work process	
Examine and evaluate the successful contractor's Health and Safety Plan for the project or for smaller projects the Site Safety Plan.	The Plan should be specific to the project and should include: <ul style="list-style-type: none"> • Responsibilities • Documented Induction & training that the contractor has undertaken • Safe Work procedures and Risk Assessment process • Safe plant and equipment • Safety Inspections • Consultation processes • Personnel Protective Equipment • Emergency procedures including first aid • Incident recording • OHS performance monitoring
The University has a duty to disclose matters that may be relevant to safe completion of the contract.	This not only includes known hazards, but the systems the University uses to control and manage those hazards
Where there is more than one contractor involved: <ul style="list-style-type: none"> • Take steps to ensure the proper and adequate co-ordination of contractors. • Information must be provided by the Contract Manager to each contractor as to the general nature of the work to be performed by others on site. 	
Provide students, University staff and members of the public with such warnings as are necessary for the carrying out of the construction or maintenance works and any hazards associated.	<ul style="list-style-type: none"> • Identify who will be affected by the contract and the contract works • Contact local management • For major works advise the local OHS Committee through the OHS Unit • Use Portal notices
Ensure appropriate barricading, signs and other precautionary measures to prevent injury to students, University staff or members of the public.	
Depending upon the activities carried out under the Contract, the Contractor may need to develop Job Safety Assessments or Safe Working Methods. The Contract Manager should review this process and assess its adequacy.	
Contractor Induction: Induct and register the contractor under the local contractor management system. Ensure they are familiar with the relevant University OHS procedures	
Determine the contractor induction arrangements based upon the risks associated with the contract. In general there are four types of induction depending upon the contract: <ul style="list-style-type: none"> • General industry induction: training in the general hazards and risks associated with the industry. This training may be carried out by a registered training organisation (RTO) • General University induction • Local induction • Site induction 	All contractors must receive an induction before commencing work. The form and details of the induction will depend upon the risks associated with the work carried out by the contractor. Some contractors who carry out hazardous work regularly at the University will receive all four inductions. Facilities Management Services offers a works management services for trades and construction work normally undertaken by Faculties and Other Areas on a fee for service basis. These works may include erecting staging and stands or electrical works for special events. The Faculty/Division will need to submit a Work Request to Facilities Management Services

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Contract Manager	Notes
<p>The General University Induction focuses on the systems that the contractor must be familiar with to work safely at the University. This would include the University and local Permit systems and other standard work practices. A General University induction is carried out before the contractor commences work.</p>	<ul style="list-style-type: none"> • Policies (OHS, Equal Opportunity and Sexual Harassment, Code of Conduct) • Site Entry and Access • Work Management • Work permits and Safe Working Practices • Manual handling and materials movement • Hazardous substances • Plant & equipment • Safety devices and personal protective clothing • Housekeeping • Waste removal • Incident/Emergency Response including fire and first aid • Isolation of services.
<p>Where a General University Induction is not practical, for example with contractors that only occasionally work on Deakin premises, a Local Induction should be carried out.</p>	<p>The Local Induction will cover emergency arrangements, accident reporting and any local permit or access arrangements.</p>
<p>The Site Induction focuses on particular hazards and safety issues associated with the work. The contract manager is responsible for the Site Induction which will preferably occur at the work-site.</p>	<p>The site induction may need to cover the work activity as well as the site</p> <ul style="list-style-type: none"> • Work activity induction: training in the hazards, risks and control measures associated with the work activity or task, for example around the. task specific Safe Work Method Statement (SWMS), Safe Working Procedure (SWP) or Job Safety Assessment (JSA) • Site induction: training in the hazards, risks and control measures specific to the site (e.g. site rules, emergency evacuation and first aid procedures, and environmental controls).
<p>All contractors must be informed of the University's safety rules in so far as they are applicable to them.</p>	<p>The form and details will depend upon the hazards involved and the nature of the contract.</p>
<p>Contractor Supervision and Monitoring: Supervise and verify contractor performance with the contract and OHS arrangements.</p>	
<p>Establish an inspection schedule prior to commencement of the contract. Conduct regular checks to confirm that the contractor is conforming with the health and safety requirements of the contract Monitoring and supervision of Contractor activities is most efficiently undertaken when combined with other contract management activities. While in no way reducing Contractors responsibility or liability as an employer for the health and safety of their employees, the Contract Manager must ensure that the contractor meets their employer duty of care obligations to all employees working on their behalf.</p>	<p>How often routine inspections are conducted will depend on the nature and circumstances of each contract. Issues such as the level of risk and extent of control the University has over the workplace will influence the frequency of inspections. For short duration contracts from several days up to several weeks it may be appropriate that the Contractor Manager undertakes daily health and safety inspections. For longer term contracts weekly or monthly health and safety inspections are likely to be more practicable. However, daily pre-start safety inspections may be required for particular high risk plant, equipment and processes.</p>
<p>The level of monitoring and supervision will depend on such factors as:</p> <ul style="list-style-type: none"> • Complexity of the tasks • The level of risk • The control the University has over the workplace • Interaction with other parties (ie: University employees, other Contractors, public) 	<p>It is important that a systematic approach is adopted when monitoring and supervising Contractors. Requirements of the Contractor and principal should be clearly identified in the contract documentation. Appropriate records of activities related to monitoring and supervision of Contractor operations clearly demonstrate the University's commitment to meeting its OHS legal obligations. These records are important legal documents and can be relied upon when a non-compliance or serious health and safety incident occurs</p>

Contract OHS Management System Guidelines

Contract Manager	Notes
<p>Although Contract Managers are not required to be expert in all matters, they should check that the Contractor has adequately fulfilled its health and safety obligations, as far as they can reasonably establish. Through inspection and monitoring of Contractor operations, the Contract manager should raise with the Contractor any health and safety issues that come to their attention.</p>	<p>Undertaking regular site inspections to monitor compliance, considering:</p> <ul style="list-style-type: none"> • General legislative requirements • Conformance with Job Safety Assessment control measures • Conformance with the Contractor's Health and Safety Plan • Conformance with University OHS Policy and Manual <p>Inspections should be conducted in conjunction with a representative of the Contractor to enable discussion and resolution of issues as they are identified. The Contract manager may seek input from specialist health and safety staff to be available during and after the inspection to give advice on health and safety issues</p>
<p>Refer promptly to senior management matters that cannot be resolved locally, and regularly following up on those matters until they are resolved</p>	
<p>Ensure that corrective action is taken where non conformance is identified by:</p> <ul style="list-style-type: none"> • issuing of non-conformance report • reviewing and confirming that corrective actions are implemented • issuing formal notice (ie: site instruction) when action is not taken within reasonable timeframe 	
<p>Contract Records: Effective contract management involves adoption of a systematic approach to record keeping during the period of the contract.</p>	
<p>Relevant health and safety records retained by the University provide documentary evidence of the University's due diligence in relation to the health and safety of Contractors. These records will be particularly important in situations where the Contractor is in breach of health and safety requirements or a significant incident or accident occurs from activities performed by the Contractor.</p>	<p>Records that should be kept include:</p> <ul style="list-style-type: none"> • Risk Assessment • Health and Safety Plan • Contract documents • Health and safety inspection reports • Minutes of safety meetings and site meetings • Incident investigation reports • Monthly OHS performance reports • Non-conformance reports • Photographs and test results • Site instructions and diary notes

4. OHS Control Measures for Contracts

There are a number of well established OHS control measures that can be used to meet the University's obligations to manage contracts.

	OHS Control Measures	University Requirements	Notes
1.	Contract OHS Management	The OHS issues and hazards associated with contracts must be managed systematically	Determine the health and safety requirements that are to be incorporated into the contract and the planned service or works.
2.	Written contracts	Where a written contract is used for contractors that provide labour as part of the contract, clauses covering OHS must be included in the contract.	Certain types of materials and design contract should also include OHS requirements (OHS Act)
Hazard Management			
3.	Risk Assessment	All contracts must have a OHS risk assessment carried out beforehand. This will initially be done by the by the Contract Manager, but will jointly or wholly finalised by the contractor. This should be included in the contract terms.	If a contract has no obvious associated hazards, the risk assessment should record this. In many situations the risk assessment will develop over time as more information becomes available.
4.	OHS Management Systems and OHS competency	The Contractor's OHS Management System describes how they manage OHS in their business. This will normally be requested from contractors as part of the tendering process.	Large contractors will have an established OHS Management System. Some of these systems will be independently certified (SafetyMap, Five Star Program etc.)
5.	Proof of WorkCover and insurance coverage	Required for all contracts except light deliveries. Where subcontractors are being used, their insurance and WorkCover coverage should also be checked	Sole traders will not have WorkCover policies. Care must be taken in making long-term contracts with sole traders to minimise University liability.
6.	Hazard Disclosure Statement	The Hazard Disclosure Statement is a formal advice to the Contractor about hazards known to Deakin University that may affect the safety of the contractor	
7.	Project Health and Safety Plan (OHS Plan)	The OHS Plan describes how the contractor manages OHS on University sites. This will be usually required with major projects or independent businesses carrying out operations on University premises.	In most cases the Contractor will have full responsibility for the site they occupy.
8.	Site Safety Plan (SSP)	The SSP is used instead of the OHS Plan for smaller projects where there is joint responsibility for the work site. The SPP is jointly developed with the contractor	
9.	Traffic Management Plan (TMP)	The TMP will usually be the University's responsibility but depending upon the situation would be done in consultation with the contractor.	
10.	Job Safety Assessments (JSA)	Required with all medium to high hazard work unless the work is covered adequately by Safe Work Method Statements. A JSA is developed for each job before it is started.	A JSA is used where the hazards changes from job to job e.g. digging a trench.
11.	Safe Work Method Statement (SWMS)	Required with all medium to high hazard work unless the work is covered adequately by JSAs. A SWMS is developed by contractors to cover routine work.	A SWMS or Standard Safety Procedure (SSP) is used where the hazards are the same each time e.g. working on a piece of plant. In some cases, a combination of both a JSA and SWMS may be required.
12.	Permit and Isolation procedures	The contractor must be familiar with these procedures. If the contractor is using their own Permit or Isolation procedures, this use must be authorised.	

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	OHS Control Measures	University Requirements	Notes
13.	Contractor Certificates and Permits	Where work requires a Government permit to be carried out (e.g. asbestos removal) or an operator requires certification (e.g. forklift driver), The Contract Manager must verify their currency	
Induction			
14.	General University induction	A General University induction is the most convenient way of inducting ongoing contractors or contractors that carry out work frequently on University premises. The induction must be recorded and be valid for only for a fixed period. It is recommended that the contractor's knowledge be tested during or at the end of the induction	This induction familiarises the contractor with general University requirements such as Permit Procedures, Conduct on University property.
15.	Local induction	This induction applies where a general University induction is not appropriate or practicable.	This is the normal induction process for casual and contracted staff
16.	Site induction	This induction applies where: <ul style="list-style-type: none"> the work is under the direct control or Deakin staff and the task has a medium to high hazard level the work is being carried out in a location with a medium to high hazard level. 	The University must disclose known hazards about the workplace to the contractor
17.	Site Safety Rules Booklet	Site Safety Rules are either provided as a booklet to the contractor as part of the General University induction process or in some cases (for example, delivery contracts) mailed out to the contractor.	
18.	Site Safety Rules as part of the sign in/out process	Where it is not practical to provide a formal copy of the Site Safety Rules, these need to be incorporated into the sign in / sign out process.	
19.	Signs to inform contractors of site safety requirements	This normally applies only to light delivery contractors	
Supervision and Monitoring			
20.	Contractor provides their own supervision	Normally required for all contracts except direct labour hire where the person would be treated as a staff member in terms of supervision and other OHS requirements. This should be made clear in the contract	The Contract Manager's role is to monitor the contract not supervise the contractor
21.	Sign in and Sign out procedures	All contractors not under the direct supervision of Deakin staff must sign in and sign out	
22.	Monitoring the performance of the contract	Normally required for all contracts with a medium to high hazard level An important element of the contract management process is undertaking inspections of the work and documenting the status of OHS performance.	The frequency of inspections will depend on a range of criteria that will be determined by the Contract Manager based upon the hazards associated with the contract and the past performance of the contractor.
23.	Evaluating contractor performance	Where a contractor has an ongoing relationship with the University, the contractor's OHS performance must be periodically reviewed.	

5. Supporting Documentation

	OHS Control Measures	Resources and Tools	Notes
1.	Contract OHS Management	For use of the Contract Manager: (1a) Contract OHS Management System Guidelines (This document) (1b) Contract OHS Management System Template for Major Works (1c) Contract OHS Management System Template for Minor Contract Works (1d) Contract OHS Management System Template for Business Services (1e) Contract OHS Management System Template for Event Management (1f) Contract OHS Management System Template for Light Delivery (1g) Contract OHS Management System Template for Heavy Delivery (1h) Contract OHS Management System Template for Labour Hire (1i) Contract OHS Management System Template for Off-site Contracts (1j) Contract OHS Management System Template for Venue Hire (1k) Contract OHS Management System Template for Minor Short Term Works	These provide a systematic way to manage each type of contract and are linked to the relevant supporting documents below
2.	Written contracts	For use of the Contract Manager: (2) Model Contract Clauses	
Hazard Management			
3.	Risk Assessment	For use of the Contract Manager and Contractor: (3a) Contract OHS Risk Assessment for construction and related works (3b) Contract OHS Risk Assessment for maintenance and related works When planning an event: Event Management Manual . In particular Section 9 - Developing an event risk assessment and management plan and the Event management risk and control assessment form (3c) Event Management OHS Checklist (3g) Contract OHS Risk Assessment for (heavy) deliveries	
4.	OHS Management Systems and OHS competency	For use of the Contract Manager: (4a) OHS Guidelines for Contractor Selection (4c) Tender OHS Management System Evaluation (4e) Contractor Engagement OHS Evaluation	Choice of template will depend upon the contract or engagement
5.	Proof of WorkCover and insurance coverage	For completion by the contractor: (4b) Tender OHS Management System Questionnaire (4d) Contractor Engagement OHS Questionnaire	
6.	Hazard Disclosure Statement	For use of the Contract Manager: (6) OHS Hazard Disclosure Statement (6b) Labour Hire Job Description	
7.	Project Health and Safety Plan (OHS Plan)	Information for the contractor: (7a) Guidelines for Preparing Health and Safety Plans	Choice of template will depend upon the contract
8.	Site Safety Plan (SSP)	For use of the Contract Manager: (7b) Checklist for Review of Contractor OHS Plans For use of the Contract Manager and Contractor: (7c) Site Safety Plan Template	
9.	Traffic Management Plan (TMP)	For use of the Contract Manager: (9) Traffic Management Plan Checklist	
10.	Job Safety Assessments (JSA)	For use of the Contract Manager and Contractor: (10a) Guidelines for Job Safety Assessments	Choice of template will depend upon the work being carried out
11.	Safe Work Method Statement (SWMS)	(10b) Job Safety Assessment Template (10c) Safe Working Method Statement Template	

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	OHS Control Measures	Resources and Tools	Notes
12.	Permit and Isolation procedures	Local procedure	
13.	Contractor Certificates and Permits	Contractor OHS Plan or Site Safety Plan	
Induction			
14.	General University induction	Facilities Management Services has developed a system to manage General University Induction.	
15.	Local induction	For use of the Contract Manager: (15a) Contractor OHS Induction Checklist - Maintenance and Service contracts (15b) Contractor OHS Induction Checklist - Office based labour hire, casual staff, temporary staff contracts (15c) Contractor OHS Induction Checklist - Venue hire contracts (15d) Contractor OHS Induction Checklist - Laboratory and workshop based contractors and temporary staff (15e) Contractor OHS Induction Checklist - Labour Hire Selection, Induction and Training Record	Choice of template will depend upon the contract and whether General University induction has occurred
16.	Site induction	Local procedure	
17.	Site Safety Rules Booklet	Local arrangements	
18.	Site Safety Rules as part of the sign in/out process	Requirements for the contractor: (18a) Contractor Site Safety Rules for medium term contracts (18b) Contractor Site Safety Rules for short term contracts	Choice of template will depend upon the contract
19.	Signs to inform contractors of site safety requirements	Local arrangements	
Supervision and Monitoring			
20.	Contractor provides their own supervision	Contract and Site Safety Rules	
21.	Sign in and Sign out procedures	Requirements for the contractor: (21a) Site Sign In / Out Template	
22.	Monitoring the performance of the contract	For use of the Contract Manager: (22a) Contract Inspection Form : Form that can be used to carry out a general contract inspection (22b) General OHS Checklist : Comprehensive checklist that can be used during contract inspections to identify hazards and the adequacy of their management (22c) Contractor Performance Review Checklist : General checklist that can be used to review the contractor's OHS system and contract requirements (22d) Contractor Site Observation Checklist : The checklist is designed to provide an indication of contractor's conformance to good OHS practices	The type of inspection or review will depend on the complexity of the contact.
23.	Evaluating contractor performance	For use of the Contract Manager: (23a) Non Conformance Report Form (23b) Post / Annual Contractor Evaluation Form	