

Health and Safety - Contractor Management Procedure - Outsourcing Major Services

Section 1 - Summary

(1) This Procedure details the process for engaging contractors that provide major services to Victoria University (VU) or on behalf of VU so that these contractor's activities are undertaken safely.

Section 2 - TEQSA/ASQA/ESOS Alignment

(2) HESF: Standard 2.3 Wellbeing and Safety.

(3) Standards for Registered Training Organisations (RTOs) 2015 (Cth): Standard 8.

(4) This Procedure also aligns with ISO 45001:2018 – Clause 4.2, 5.3, 7.1, 7.3.

Section 3 - Scope

(5) This Procedure applies to VU employees who are involved in the selection, management and monitoring of contractors as part of outsourcing a major service(s) at any VU site or on behalf of VU.

Section 4 - Definitions

(6) Major Service: Service(s) provided by a contractor that cost more than \$250K per year and are considered high risk. Examples include:

- a. Security services for VU campuses;
- b. Cleaning services for VU campuses;
- c. Contractors (and sub-contractors) completing works on behalf of VU;
- d. Contractors undertaking complex / high risk activities e.g. working at heights, confined space, penetrating walls, working on live road(s) or around public pedestrian movement areas;
- e. Contractors working with hazardous materials or dangerous goods e.g. asbestos or chemical contamination.

Section 5 - Policy/Regulation

(7) [Health and Safety Policy](#)

Section 6 - Procedures

Part A - Summary of Roles and Responsibilities

Roles	Responsibility
Manager responsible for initiating the outsourcing of a major service	<ul style="list-style-type: none">- Work with Procurement to ensure the pre-engagement phase (or tender process) for outsourcing major services includes the requirement for the contract company(s) to provide evidence of their health and safety standards and capabilities.- Review submissions from potential contract companies in conjunction with Procurement and others to decide suitability of tenders.- Ensure that the OHS weighting used to review submissions and select contractors is proportional to the level of risk inherent in the type of work/activities covered by the contract.- Oversee contract companies that are engaged to provide a major service(s) to ensure that adequate health and safety measures are in place. This will include:<ul style="list-style-type: none">a. Validating contractors' work methods in relation to their own health and safety documentation.b. Reviewing the contractors' processes for monitoring their onsite safety issues.
Procurement	<ul style="list-style-type: none">- Work with the manager to ensure the pre-engagement phase (or tender process) for outsourcing major services includes the requirement for the contract company(s) to provide evidence of health and safety standards and capabilities.- Work with the manager and others to determine the successful tender application.
OHS Team	<ul style="list-style-type: none">- Participate in the pre-engagement phase (e.g. tender process panel) to ensure that when assessing tenders, the OHS weighting is proportional to the level of risk identified.- Audit VU's compliance to this Procedure as part of the audit plan.- Participate in audits to ensure contractors' compliance with their OHS management system as part of the audit plan.- Provide advice and support as required.

(8) When outsourcing a major service(s) at or on behalf of VU the procedure is as follows:

Part B - Pre-Engagement Phase

(9) The manager responsible for initiating the outsourcing of a major service(s) for VU will determine the health and safety information that is required from the contractor company in order for VU to be able to adequately assess the contractor's OHS management system.

(10) A risk assessment on the scope of works prior to tender would determine the OHS management system requirements. The level of risk and minimum control measures should be determined before the tender process to ensure the correct OHS weighting and management systems are in place.

(11) An OHS team member shall be requested to provide advice and participate in the pre engagement phase (or tender process). When determining the evaluation or scoring criteria during the pre-engagement phase (or tender process), the panel must ensure that the weighting for OHS is proportional to the level of risk identified for the particular type of contract work(s).

(12) The contractor will then be requested to provide this information so that the operation of their OHS management can be reviewed as part of the procurement process.

(13) Information to be considered shall include relevant health and safety aspects such as those listed below.

Governance

(14) Evidence of health and safety certification e.g. AS/NZS 4801, OHSAS 18001 or Safety MAP or an equivalent accredited certification; or

(15) Evidence of OHS management capacity and capability as follows:

- a. OHS Policy that is signed by CEO/business owner and reviewed within the last 12 months;
- b. Awareness and understanding of OHS legislation;
- c. OHS resources such as expertise and advice;
- d. WorkCover Premium i.e. certificate of currency;
- e. Incident notification, reporting and investigation methods;
- f. Employee and contractor OHS training e.g. site inductions, first aid, work at heights, elevated work platforms (EWP) etc.;
- g. Records of relevant licensing e.g. mobile plant, electrician, scaffolding etc.;
- h. Electrical safety such as testing and tagging program;
- i. Traffic management plan;
- j. Working at heights;
- k. Chemical management;
- l. Emergency response procedures (including first aid requirements);
- m. Planning or OHS Committee - for internal & external stakeholders;
- n. Previous performance.

(16) Evidence of Professional Indemnity /Public Liability Insurance.

Risk Management

(17) List three critical safety risks associated with the tender and the controls for these risks.

(18) Provision of an outline of the organisation's auditing program that is used to evaluate the effectiveness of their OHS system.

(19) Details of the planned audit of the OHS system to determine if the OHS system will be audited completely at least once during the life of the contract.

OHS Resourcing

(20) Details and verification of the OHS professional(s), their qualifications and expertise who will be providing support during the life of the contract.

(21) Provisions of an organisational chart, position descriptions and authorities for the OHS professional and managers who will be working on the contract.

Sub-Contractor Management

(22) Describe the OHS management system that is used for the management of subcontractors and, where applicable, detail the certification standard of the contractor's OHS systems,

(23) Determine if sub-contractors are treated the same as contractors (e.g. they attend inductions and their licenses are checked etc.).

(24) Provide an example of the contract clauses that are used in the engagement of sub-contractors,

(25) Provide evidence of the monitoring of how sub contractors' safety performance and compliance with contract conditions is going to be monitored (e.g. meeting schedules, relevant checklists, inspection schedules, audit results etc.).

Historical Performance

(26) Provide details of the following for the past five financial years:

- a. lost time injury (LTI) frequency rate (include LTI definition and rate for all sub-contractors);
- b. total number of workers' compensation claims;
- c. total number of days lost to injury;
- d. workers' compensation performance rating;
- e. industry classification premium rating;
- f. of any convictions, fines or sanctions imposed under any OHS law (including common law) on any current or former directors or senior managers.

Part C - Engagement Phase

(27) When a tender has been awarded, the contract between VU and the successful contract company should include:

- a. A general OHS clause that sets out the contractor's OHS obligations and duties e.g. that they will comply with all relevant OHS legislation, regulations, codes of practice and Australian Standards applicable or relevant to the works to be conducted at VU,
- b. Reporting requirements:
 - i. Minimal frequency of meetings /stakeholder involvement,
 - ii. Minimal frequency of safety audits / workplace inspections to be conducted at defined intervals,
 - iii. Reporting requirements for incidents (including near misses) and visits by WorkSafe inspectors and any notices issued,
 - iv. Corrective action processes (e.g. keeping a register, responsibilities, close-out, and effectiveness etc.).
- c. Audit requirements:
 - i. Provisions for VU to undertake regular OHS audits of the services being supplied by the contractor in order to ensure that the OHS standards are being met.

(28) The VU manager responsible for the contract company shall oversee the delivery of that contract and access expert OHS advice as required so as to ensure compliance with the OHS requirements of the contract.

(29) The VU manager shall ensure the contract company is monitoring their own safety onsite e.g. conducting meetings where OHS is discussed, completion of periodic site safety inspections/audits (see clauses (24) to (26)).

Status and Details

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