

## CONTRACTOR MANAGEMENT

### Purpose

Consistent with our commitment to providing a safe environment for employees, contractors and visitors, the purpose of this procedure is to ensure risks introduced by engaging contractors to complete local works are controlled.

### Scope

This procedure applies to all contractors completing local works on site under the supervision of a Freedom NZ employee.

### Definitions

Contractor: Contractors include any service providers that are provided by individuals who are not direct employees of Freedom NZ. This includes contractor employees, sub contractors and sub contractor's employees. Services can be of a long, short term or repetitive nature.

### References

- Relevant Work Health and Safety Acts & Regulations.

### Responsibilities

#### Contractor Manager or Hirer

Note: in the absence of a Contractor Manager, these responsibilities are to be assumed by the Location Manager.

The contractor manager is responsible for:

- developing contractor WHS requirements
- evaluating contractor WHS specifications
- assisting location managers to manage contractors, and
- maintaining current copies of contractor insurances and documented safe systems of work.

#### Location Managers

Location managers are responsible for:

- evaluating contractor WHS specifications
- maintaining current copies of contractor insurances and documented safe systems of work
- inducting all contractors in Freedom Furniture NZ WHS systems
- familiarising contractors with their work environment and specific hazards they may be potentially exposed to, and
- monitoring the compliance of contractors to Freedom Furniture NZ WHS standards.

#### Supervisors

Supervisors are responsible for:

- notifying location managers prior to engaging contractors, and
- ensuring contractors comply with Freedom Furniture NZ WHS requirements.

### Procedure

#### Group Contractors

When Freedom NZ require a contractor service across a number of locations, this must be arranged through the contractor manager or hirer.

Where appropriate, the contractor manager may engage a preferred contractor who has previously demonstrated compliance to Freedom Furniture NZ WHS requirements. Preferred suppliers are listed on the Preferred Supplier List. Refer to

#### Local Contractors

When an on site service need is identified, the person requiring this service must contact the relevant location manager. Together, WHS requirements to be implemented will be determined and agreed.

Where appropriate, the location manager may engage a preferred contractor who has previously demonstrated compliance to Freedom NZ WHS requirements. Preferred suppliers can be found through the Property & Compliance Team in Support Centre AU.

#### Evaluating Contractors

For non-accredited contractors, the contractor manager is to be notified, prior to their engagement, who must provide a copy of the Contractor Evaluation Checklist **prior** to their engagement.

The contractor will then be required to complete the Contractor Evaluation Checklist and provide copies of the documents requested in the checklist such as relevant qualifications, safe work method statements, risk assessments and job safety analysis. The completed checklist and copies of the requested documents are to be submitted to the contractor manager. Please note, the cover to be accepted from contractors for public liability is at least \$20 million. The naming of Freedom NZ as Principal or an interested party on the Public Liability Certificate of Currency is preferable, especially if the contractor is to conduct regular or high risk work. This can be organised by the contractor through their broker or insurer.

If any of the contractors are likely to engage sub-contractors, the Contractor Evaluation Checklist should be completed by those sub-contractors too.

The contractor manager is to review the submitted Contractor Evaluation Checklist and copies of requested documentation. Based on the review, the contractor manager is to evaluate whether or not the contractor can comply with Freedom NZ WHS requirements.

If the contractor is assessed as compliant by the contractor manager, the contractor is to be notified and evidence of the contractor's compliance is to be maintained by the contractor manager. The contractor may then be added to the Preferred Supplier List at Support Centre AU.

If the contractor's submission is assessed as non compliant, the contractor may be asked to submit further evidence. Otherwise the application is to be discarded.

Contractor's who have been accredited are to be added to the Preferred Supplier List by the contractor manager.

#### Contractor Induction Checklist

Before work may begin on site, the location manager, or their authorised delegate, is responsible for ensuring the contractor undertakes an induction. The induction is to be recorded on the Contractor Induction Checklist and maintained by the location manager.

Where a contractor has completed the induction within the previous twelve months, and records are maintained verifying this, the contractor will not be subject to the induction.

#### Contractor Permit to Work

The location manager is responsible for ensuring a General Permit to Work is issued for the duration of the contract if the work will include any of the following:

- working at height
- confined space entry
- isolation of major equipment, or
- excavation.

Because Hot work presents such great risks to our business, a more detailed Hot Work Permit is to be used when any Hot Works are conducted. Hot Works includes welding, oxy cutting or grinding. Hot Works Permit.

All permit to work forms must be signed by the location manager or a responsible designated manager. The original is to be maintained by the contractor completing the works and a copy maintained by the location manager. The original is returned at the completion of works and signed off by both the location manager and the contractor. The original copy of the permit is to be filed by the location manager.

#### Sign in

After the above steps have been completed, the location manager, or their authorised delegate, is responsible for ensuring the contractor signs in through the visitor book. The contractor will then be issued

with a visitor's pass by the person who signs them in. In smaller locations, a visitor's book and pass may not be necessary if the supervision of the contractor is frequently maintained.

The location manager is then responsible for escorting the contractor to the work site to familiarise them with the work environment and the specific hazards they may face.

#### Sign out

On completion of work the contractor is to be escorted off the site by the location manager. The contractor must also sign out of the visitor book prior to leaving the site, if applicable.

#### Contractor review

If the contractor works on the site for more than two full days, the employee who engaged the contractor is to carry out a review of the work methods of the contractor to ensure they are in line with their work method statement and safe working practices. The Contractor Review and Supervision Checklist is to be completed for this and a copy filed in the contractor file.

Please note, that a review should be provided for contractors performing high risk work even if their duration is less than two days.

#### Non conformance

If the contractor fails to comply with Freedom Furniture NZ WHS requirements, the contractor is to be issued with a Non Conformance Report by the person who is responsible for supervising the contractor. Sources of non conformances may be:

- working in an unsafe manner
- not wearing the visitors badge, and
- non conformances generated through the contractor review process (as above).

A copy of the non conformance report is to be given to the location manager immediately who is then responsible for managing the resolution of the issue with the contractor.

Please note that failure of the contractor to comply with Freedom Furniture NZ WHS requirements can lead to termination of the contract. Terminating contractors may only be done by location managers or the contractor manager.

#### **Forms and Records**

- Contractor Evaluation Checklist
- Site induction card
- Contractor Induction Checklist
- General Permit to Work
- Hot Works Permit
- Contractor Review and Supervision Checklist
- Non Conformance Report

**October 2015**

**Review Date**

**2 years from date.**