

# LODDON SHIRE COUNCIL

## COMPLIANT CONTRACTOR GUIDELINES



LODDON  
SHIRE

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**This document is available in alternative formats (e.g. larger font) if requested.**

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## 1 PURPOSE

This document outlines minimum requirements for contractors wishing to undertake work for and on behalf of Loddon Shire Council.

## 2 BUDGET IMPLICATIONS

There are no budget implications for this document.

## 3 RISK ANALYSIS

The document is intended to reduce the risks associated with engaging contractors and ensure that those contractors working on behalf of Loddon Shire are aware of their obligations, and have appropriate systems in place to maintain adequate standards of occupational health and safety.

## 4 OCCUPATIONAL HEALTH AND SAFETY

Council is committed to the occupational health and safety of its employees, volunteers and contractors as well as maintaining the wider safety of ratepayers, visitors and the travelling public when utilising Shire assets or encountering works in progress.

All potential contractors must be able to demonstrate that their occupational health and safety systems meet all applicable legislative requirements of the Occupational Health & Safety Act 2004 and any other relevant Act.

In Victoria, workplace health and safety is governed by a system of laws, regulations and compliance codes which set out the responsibilities of employers and employees alike, so as to maintain so far as is practicable, a safe workplace.

Council employees are expected to work in accordance with various safety guidelines, codes of practice or legislation. Contractors are expected to do the same and as such it is a requirement that they meet a number of pre-requisites prior to being engaged.

### 4.1 Occupational Health and Safety Act 2004

The *Occupational Health and Safety Act 2004* (the Act) is the cornerstone of legislative and administrative measures to improve occupational health and safety in Victoria.

The Act sets out the key principles, duties and rights in relation to occupational health and safety. The general nature of the duties imposed by the Act means that they cover a very wide variety of circumstances, do not readily date and provide considerable flexibility for a duty holder to determine what needs to be done to comply.

A full copy of the Act can be found at [www.austlii.edu.au](http://www.austlii.edu.au).

### 4.2 The Regulations

The *Occupational Health and Safety Regulations 2017* are made under the Act. They specify the way in which duties imposed by the Act must be discharged, or prescribe procedural or administrative matters to support the Act, such as requiring licenses for specific activities, keeping records, or notifying relevant authorities in respect to certain matters.

A full copy of the Regulations can be found at [www.austlii.edu.au](http://www.austlii.edu.au).

### **4.3 Guidance**

The Victorian WorkCover Authority, trading as WorkSafe Victoria, is a statutory authority with responsibilities that include:

- helping avoid workplace injuries occurring
- enforcing Victoria's occupational health and safety laws
- providing reasonably priced workplace injury insurance for employers
- helping injured workers back into the workforce
- managing the workers' compensation scheme by ensuring the prompt delivery of appropriate services and adopting prudent financial practices.

WorkSafe's website has a number of resources that are available to guide employers and employees in achieving workplace safety. These include, but are not limited to, a number of compliance codes, and the Victorian Occupational Health and Safety Compliance Framework Handbook.

Resources can be accessed at [www.worksafe.vic.gov.au](http://www.worksafe.vic.gov.au).

### **4.4 Occupational Health and Safety Policy**

Council's commitment to workplace health and safety is documented in the Occupational Health and Safety Policy.

Copies of this policy can be requested by contacting Council's Manager Organisational Development by telephone on (03) 5494 1200 or by email at [loddon@loddon.vic.gov.au](mailto:loddon@loddon.vic.gov.au).

## **5 CONTRACTOR COMPLIANCE**

### **5.1 Introduction**

Council has a process for ensuring that contractors are compliant in minimum occupational health and safety, licensing, and insurance requirements so that they are able to be engaged when they are required.

Once the necessary documentation has been provided, contractors are placed on the compliant supplier register to ensure that there is a pool of contractors able to provide a range of services required by Council. In order to become compliant, contractors are required to meet a number of qualifying criteria, depending on the nature of work being undertaken.

Documentary evidence supporting the above requirements must also be provided and maintained as current.

### **5.2 New contractor assessment**

The compliance process must take place prior to a new contractor being engaged. This is a risk based process, which may require the contractor to:

- present a copy of public liability and/or professional indemnity insurance certificates of currency
- present a copy of WorkCover insurance certificate of currency
- complete a Health and Safety Questionnaire

- present a copy of license or registration relevant to the contractor's industry
- provide a copy of the organisation's safe system of work or documented explanation as to what mechanisms the contractor utilises to maintain safety in the workplace.

Requirements which must be met are determined by the level of risk that it is considered the new supplier may expose Council to, as summarised within Appendix 1: Risk Hierarchy.

If approved, the contractor will be considered a "Compliant Supplier", and will be able to be used by Council staff when ordering goods and/or services.

Should the contractor's submission not meet Council's requirements they will be notified, and assistance will be provided to address the areas of concern.

### **5.3 Annual update of information**

For a supplier to remain compliant, all insurances and registrations must remain current. Council will request updated insurance certificates of currency annually. Should a supplier allow their insurances to lapse or fail to provide updated copies of associated documentation, Council staff will be unable to engage them until such time that all requirements of being recognised as "Compliant Supplier" are met.

### **5.4 Tendering**

Where Council undertakes public tendering of works, contract documentation shall stipulate what information must be submitted by tenderers to adequately evaluate their bid and receive recognition as a conforming tender.

As part of their bid, tenderers shall be required to provide written statements confirming that they possess the necessary insurances and cover to qualify for registration as a compliant supplier. Tenderers are generally not required to provide copies of such documentation until such time that they have been awarded the contract.

Upon being awarded a contract, those tenderers who have not previously been made compliant or maintained currency, will be required to submit copies of all relevant information in order to achieve qualification for the type of work being performed under the scope of the contract.

## **6 STAFF AND CONTRACTORS CODE OF CONDUCT**

All contractors must comply with Council's Staff and Contractors Code of Conduct. A copy can be found on Council's website at [www.loddon.vic.gov.au](http://www.loddon.vic.gov.au).

## APPENDIX 1: RISK HIERARCHY

The following guidelines have been created for the purpose of determining the level of detail required from Council's individual suppliers in order that they satisfy the requirements of becoming a "Compliant Supplier".

Only "Compliant Suppliers" can be engaged by Council staff.

The information required by suppliers will differ and be determined by the level of risk attached to their work. Risk can be related to travelling public (traffic), Council staff, contractors' staff, and the general public.

The following tiers for compliant Suppliers have been created in line with the level of perceived risk associated with common works and activities performed, and subsequently determine the amount of documentation required by Council.

It is acknowledged that some suppliers may undertake one-off activities that change the level of risk attached to their current status/classification; Council officers are responsible for ensuring that the Council is protected at all times, and may ask suppliers for additional information for the purpose of increasing a contractors pre-qualification status i.e. Tier.

### Tier 1: Supply only of goods and/or services - offsite

No risk
These suppliers provide goods and services to Council, but do not enter any of Council's properties in the provision of the goods and/or services. Examples of these suppliers are: <ul style="list-style-type: none"><li>• kitchen supplies collected by staff</li><li>• paper supplies delivered by a freight company</li><li>• petrol supplies purchased at the petrol bowser.</li></ul>
Requirements: <ul style="list-style-type: none"><li>• Nil.</li></ul>
Minimum insurance requirement: <ul style="list-style-type: none"><li>• Not applicable.</li></ul>

### Tier 2: Supply only of goods and/or services - onsite

<b>Low risk – Risk to contractors' staff, Council staff, Council clients, general public</b>
These suppliers provide goods and/or services to Council, and enter Council's properties in the provision of the goods and/or services. This tier also includes Council's clients entering contractor's premises. Examples of these suppliers are: <ul style="list-style-type: none"><li>• office furniture supplies delivered by the company</li><li>• freight contractors delivering goods on behalf of other suppliers</li><li>• contract cleaning services</li><li>• auditors undertaking work at Council's office</li><li>• businesses that Loddon Discovery Tours visit.</li></ul>
Requirements: <ul style="list-style-type: none"><li>• public liability insurance</li><li>• professional indemnity insurance where applicable (e.g. consultant, auditor, lawyer)</li><li>• WorkCover insurance where contractor employees staff</li><li>• health and safety questionnaire (or induction into Wedderburn or Serpentine Office for office based contractors)</li></ul>

- license or registration where applicable (e.g. auto electrician, caterer).

Minimum insurance requirement:

- Public liability insurance \$10 million
- Professional indemnity insurance \$2 million

### Tier 3: Supply of major goods and/or services and minor construction works

**Medium risk – Risk to travelling public (traffic), contractors' staff, Council staff, general public**

These suppliers provide major goods and/or services to Council, and work from Council's properties and infrastructure assets to undertake minor construction works. These works can be civil or building related works. Examples of these suppliers are:

- garbage contractors
- contractors managing Council's swimming pools
- building contractors undertaking repairs or minor renovation works (can include bricklayers, plasterers, plumbers, electricians)
- consultants undertaking projects on behalf of Council that require access to Council's buildings, recreation reserves, etc.

Requirements:

- public liability insurance
- professional indemnity insurance where applicable (e.g. consultant for higher risk activity)
- WorkCover insurance where contractor employs staff
- health and safety questionnaire (or induction into Wedderburn or Serpentine Office for office based contractors)
- license or registration where applicable (e.g. builder, electrician, plumber, gas fitter, bus accreditation)
- evidence of:
  - job safety analysis
  - occupational health and safety system
  - incident reporting system.

Minimum insurance requirement:

- public liability insurance \$10 million
- professional indemnity insurance \$2 million

### Tier 4: Major construction works

**High risk – Risk to travelling public (traffic), contractors' staff, Council staff, general public**

These suppliers work from Council's properties and infrastructure assets to undertake major construction works. These works can be civil or building related works. Examples of these suppliers are:

- reseal contractors
- bridge contractors
- roadworks contractors
- building contractors undertaking major renovation or construction works.

Requirements:

- public liability insurance
- WorkCover insurance where contractor employs staff
- health and safety questionnaire (or induction into Wedderburn or Serpentine Office for office based contractors)



- license or registration where applicable (e.g. builder, electrician, plumber, gas fitter)
- evidence of:
  - job safety analysis
  - occupational health and safety system
  - incident reporting system.

Minimum insurance requirement:

- public liability insurance                      \$20 million
- professional indemnity insurance      \$2 million