



New South Wales Government

NSW Government Procurement Guidelines

Occupational Health and Safety

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These guidelines were prepared by the NSW Department of Commerce for the NSW Government. They are available from the procurement process maps on

<http://www.treasury.nsw.gov.au/procurement/procure-intro.htm>

For further information on these guidelines contact NSW Procurement help desk by phone 02 9372 8600 or e-mail gpshelp@commerce.nsw.gov.au

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Related Guidelines

[NSW Government Procurement Policy](#)

[NSW Government Code of Practice for Procurement](#)

[NSW Government Tendering Guidelines](#)

Related Instruments

[NSW Occupational Health and Safety Act 2000](#)

[NSW Occupational Health and Safety Regulation 2001](#)

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1 About this guideline

The NSW Government Procurement Framework requires agencies to include specific provisions, in identified tenders and contracts, for improving occupational health and safety (OH&S) performance. It also requires service providers to commit to and implement, in identified contracts, systems and plans to improve their OH&S management performance.

The [NSW Occupational Health and Safety Act 2000](#), (the OHS Act), as amended, is the principal legislation for workplace health and safety in NSW, together with the [NSW Occupational Health and Safety Regulation 2001](#). The OHS Act places general duties of care on persons to take reasonable care for the health and safety of employees in the workplace. These acts or omissions may effect health and safety in the workplace, and fall to the responsibility of personnel including controllers of premises, plant or substances. However, the principal obligation rests with employers.

Duties

There is a general duty to:

- ensure the health, safety and welfare of their employees (this includes apprentices) while they are at work
- ensure that people who are not employees (such as contractors, visitors or other persons), but are at the place of work or site, are not exposed to health or safety risks arising from the work being done.

For example, if an agency procures from a service provider who works at or is on the agency's premises, it has an obligation to ensure that it provides a safe and healthy environment for that service provider and its employees and contractors.

There is a second duty to perform particular duties to ensure the employees' health, safety and welfare at work. They include:

- the duty to consult as set out in the OHS Act. An employer must consult with their employees to enable the employees to contribute to the making of decisions affecting their health, safety and welfare at work. Such decisions would include changing work systems or practices, purchasing new plant or substances, undertaking risk assessments or introducing risk control measures

- providing and maintaining safe plant and systems of work that have no health risks
- ensuring that plant and substances are used, handled, stored and transported safely
- giving employees whatever information, instruction, training and supervision is necessary, particularly about the plant, equipment and substances (such as raw materials or chemicals) they use in their work
- maintaining the place of work or site in a safe condition
- providing adequate facilities for the welfare of the employee.

In addition, designers, manufacturers or providers of plant, equipment or substances (such as raw materials or chemicals) for use at the places of work, have a special duty to:

- make sure their product or material is safe when properly used
- do whatever testing and research is needed to reduce or eliminate safety risks; and
- do whatever is needed to give persons the information they need to use the product or material safely.

2 OH&S outcomes

There are considerable benefits in integrating OH&S management into the procurement processes and in service provider service delivery. These might include:

Improved productivity and client service

Investing in improving health and safety standards and a safe working environment gives the employees of an enterprise and clients confidence that the enterprise is responsible and capable and that it cares about them. This helps create a high degree of ownership and pride amongst employees and an overall improvement in productivity and client service.

Improved overall business operating systems

When an enterprise starts to examine job tasks to identify and control hazards it is directly improving its business processes and it will also have the opportunity to examine whether tasks are being performed with the most efficient use of time and resources. There is a falsehood that safety slows down the task. For example, waiting ten minutes for an employee to help another split and carry a heavy load turns out to be a valuable ten minutes, when instead one completes the task alone and injures their back resulting in having to take time off.

Improved overall business image

Enterprises underestimate the benefits of promoting good health and safety standards. For example goods or services displaying information regarding the extra efforts the enterprise has taken to ensure a safer good or service. The opposite generally happens. Whenever an enterprise's name, goods, services or employees are involved in an incident or complaint that harms members of the public and/or employees the enterprise may be viewed as unethical. This could affect the enterprise's image and future profits.

Protects business profits

Maintaining a safer and healthier workplace will save costs associated with work related injury or illness. These costs result from production down time, plant and equipment failure, injured employees working slower, cost of replacing employees or overtime of existing employees. There are also the costs associated with possible litigation. Every dollar invested in safety and prevention protects an enterprise's profits.

Actions by agencies

- build a constructive and open relationship with the service provider
- give assistance (within probity and confidentiality constraints) to service providers at the tendering and planning stages. Guidance and support should be continuing to ensure that service providers are competent in managing OH&S requirements
- make accountabilities and responsibilities of service providers clear, especially in places of work where multiple contractors are involved and particularly where permit to work procedures apply
- recognise that new skills may need to be developed for this task. Agencies should have adequate and regular training to ensure they have the skills to assess the quality of the service providers' Occupational Health and Safety Management Systems, safe work method statements, etc
- set up a system for monitoring the OH&S performance of service providers and assist them to improve continuously their OH&S management systems
- openly show commitment by giving feedback on OH&S performance.

Actions by service providers

- find out more about systems for managing OH&S—the general tenet of the OHS Act is to have a safe system of work
- ask for help with documenting the enterprise's OH&S management system and *OH&S Management Plan* (Appendix A) for example the client agency, employees, local employer association or [Workcover NSW](#) can assist you with this
- computerise OH&S system documentation so that it can be easily adapted to suit different contracts, updated and improved to make it more cost effective
- take responsibility for the enterprise's OH&S management system and communicate the OH&S management obligations for the contract
- include subcontractors in the enterprise's training programs particularly for managing OH&S
- ask for information on performance from clients and employees—this will help the enterprise to improve

- include information on purchasing
- include information on selecting sub-contractors.

Associated legislation

Some legal requirements regarding health and safety at work are contained in associated legislation defined in the OHS Act. These must be observed. If there is a conflict between the provisions of the associated legislation and the OHS Act, the provisions of the OHS Act must be followed.

3 Procurement process

As most agencies procure goods and/or services they will, to varying degrees, face the challenge of how to monitor effectively the health and safety performance of their service providers. Agencies will need to assess if service providers are maintaining high standards in the design, manufacture and supply of goods or services and are complying with their OH&S obligations.

An effective way for service providers to meet this challenge is to establish a management system approach to occupational health and safety.

Type, size, duration, industry, and monetary value of the procurement are all important factors to be taken into account in considering service providers' occupational health and safety management, including the level of risk involved in the goods or services procured—that is, low, medium or high.

A low value contract may have a high level of risk and vice versa. For example, a simple cleaning contract may involve the use of equipment such as a vacuum cleaner or polisher, cleaning utensils such as a bucket and mop, cleaning agents and activities such as pushing, bending and scrubbing. These are some of the potential hazards related to the use of cleaning equipment and substances, and hazards related to manual and materials handling that need to be considered.

Generally there are five main stages in the procurement process:

- procurement planning
- preparing tender documents
- evaluating tender responses
- pre-commencement planning of work
- monitoring and performance feedback.

To meet OH&S obligations, the following should be considered in each of the above stages:

Procurement planning

To ensure that an agency's health and safety responsibilities are adequately addressed, answers to the following questions pertinent to OH&S (consistent with risk management) need to be taken into consideration in the procurement planning process:

Procurement of goods

- What are the hazards associated with the product?
- What risks do they pose?
- How might these be controlled?

Procurement of services

- What activities will be undertaken?
- What hazards are posed by undertaking the required activities?
- What risks do they pose?
- What needs to be done to eliminate or minimise these risks?

Adequate measures addressing these issues need to be incorporated in the tender documents.

Preparing tender documents

Specifications included in the tender documents often include OH&S requirements that may end up as a contract condition. Specifications can differ depending on whether the contract is classified as high, medium or low risk. They include:

- compliance with OH&S obligations—irrespective of the risk level, tenderers must adhere to the OH&S Act
- evidence of the tenderer's own OH&S management system and plan and OH&S performance record
- other general conditions such as providing regular OH&S performance reports.

For medium to high risk contracts, the tender and contract should require the service provider to develop a specific *Occupational Health and Safety Management Plan* (Appendix A) for the contract awarded. The plan includes *Safe Work Method Statements*, (Appendix B).

For small, short-term, low risk contracts, service providers must comply with OH&S legislation and obligations. The agency's OH&S procedures, where appropriate, may be the only requirements specified. For low risk contracts, the service provider awarded the contract should be required, as a minimum, to develop *Safe Work Method Statements* (Appendix B) for the contract awarded.

Evaluating tender responses

Tender responses are evaluated, for example, by assessing (amongst other selection criteria) the tenderers' OH&S management system documentation and OH&S performance record against set criteria. A questionnaire (Appendix C) may be provided to tenderers listing the essential information to be provided.

The information submitted in the tender responses should be used by government agencies in the evaluation of those responses.

Agencies may ask to see evidence of a service provider's OH&S Management System, that is, the OH&S manual, OH&S procedures, records of OH&S performance, days lost to injury, work procedures and instructions, forms and records showing how these are implemented.

Pre tender award meetings may also be held where a tenderer is required, for example, to produce further evidence that its OH&S management system can meet the OH&S requirements specified in the tender.

Pre-commencement planning of work

The major element of most service provider OH&S Management Systems is the development of *Safe Work Method Statements* (for low risk contracts) or an *OH&S Management Plan* (for medium and high risk contracts). These documents are generally required to be completed prior to the service provider commencing work or during the early stages of work. These statements or plan set out the OH&S practices and procedures that will apply during the contract. Once finalised, the *Safe Work Method Statements* and *OH&S Management Plan* become the basis of internal and external audits for the duration of the contract.

Agencies should be prepared to give service providers, particularly small enterprise operators, the necessary help required to raise their level of understanding of OH&S management. This can be time-consuming but will prove valuable to the success of the contract.

Monitoring and performance feedback

Agencies may require some or all of the following activities to be carried out, either by them or by the service providers, or jointly, in accordance with the legislation.

Actions by agencies

- inspect the plant and equipment and associated licences held by service providers
- check service provider's *OH&S Management Plan* and *Safe Work Method Statements* at contract commencement
- conduct regular audits of service *OH&S Management Plan* (proof that plan is being implemented)
- advise service providers on their OH&S performance
- obtain performance measures, example days lost through injury.

Actions by service providers

- consult with employees on OH&S
- training employees (with refreshers for long-term contracts)
- keep employees informed of OH&S hazards and procedures
- regularly review *Safe Work Method Statements*
- prepare reports on safety performance (for medium to high risk contracts)
- establish a regular review and revise the OH&S Management System
- conduct regular audits of the OH&S Management System and OH&S Plans, including processes for identifying hazards and addressing corrective actions.

Actions by agencies and service providers

- Attend progress meetings (OH&S should be a standing item) and hold performance review meetings.

4 Effective OH&S workplace culture

Listed below are some of the characteristics or 'visible signs' of an effective OH&S workplace culture.

- no workplace injuries/accidents
- policy statements are visibly displayed
- good employee morale and fewer client complaints
- on-the-job training for employees
- consultation with employees regarding all OH&S matters
- emphasis on ensuring risk management processes are developed and used
- maintenance systems are devised and used for plant, tools and equipment
- visible safety signs and reminders
- safety labelling on goods and services advertising the extra care the enterprise has taken
- everyone is clear on what to do in an emergency
- all employees are aware of the enterprise's safety rules
- all employees are aware of their obligations under the legislation.

Further information and assistance

For further information and assistance, please contact one of the following organisations:

Department of Commerce

Government Procurement Services

Level 23, McKell Building

2-24 Rawson Place

Sydney NSW 2000

Phone: 02 9372 8600

Fax: 02 9372 8822

Email: gpshep@commerce.nsw.gov.au

Website: <http://www.commerce.nsw.gov.au>

WorkCover New South Wales

92-100 Donnison Street

Gosford NSW 2250

Phone 02 4321 5000

Fax 02 4325 4145

Website: <http://www.workcover.nsw.gov.au>

Appendix A – OH&S Management Plan

What should be included in an OH&S Management Plan?

An OH&S Management Plan nominates who will be responsible for specific OH&S aspects of the work and who will be available to deal with OH&S incidents.

The OH&S Management Plan must identify and assess the hazards associated with the work, along with the hazard control measures that will be used to ensure that people are adequately protected from risk of injury or illness.

The Health and Safety Management Plan must also include Workplace Safety Rules, as well as *Safe Work Method Statements* for all work activities assessed as having a safety risk. Particular attention should be paid to work activities with a high safety risk (for example hazardous substances).

Components of an OH&S Management Plan

The components to an OH&S Management Plan are:

1. Risk management
2. Management of responsibilities.
3. OH&S training, including induction training.
4. Incident management and corrective action.
5. Workplace safety rules.
6. *Safe Work Method Statements* (refer to Appendix B).
7. Record and Document Management

Risk Management

The hazards associated with each work activity must be identified and the associated risks assessed. Measures for eliminating or minimising and monitoring the risk control must be developed, documented and implemented.

Management of Responsibilities

A Statement of Responsibilities must list the names and positions of persons who will be responsible to:

- identify the hazards and assess the risks associated with the work, and document the risk control measures to be taken
- manage compliance with OH&S legislation, regulations, standards and codes, and the Workplace Safety Rules and *Safe Work Method Statements*
- assess and monitor the service providers' capabilities to ensure they meet OH&S requirements during the contract
- manage workplace injury management and rehabilitation
- manage the communications and consultation on OH&S information to all personnel at the workplace and the communications and consultation between OH&S Workplace Committees and/or OH&S representatives
- ensure that all personnel attend a general health and safety induction training course before starting work
- conduct workplace OH&S training
- maintain first aid stocks and provide first aid
- manage illness and injury and emergency procedures.

Occupational Health and Safety training

Training is particularly important. The safety of many can be put at risk by workers not being aware of their responsibilities or the Workplace Safety Rules or not following *Safe Work Method Statements (Appendix B)*.

The service provider is required to:

- identify the OH&S training needs of management, supervisors and all personnel on the project
- ensure that appropriate training is provided
- maintain appropriate records of OH&S training provided to personnel on the project
- ensure that all staff are provided with appropriate induction training, including task and refresher training.

Induction training must be provided to all service providers' personnel. Before any person commences work they must take part in OH&S induction training in:

- general work health and safety
- workplace specific health and safety
- work activity based safety.

Incident Management and Corrective Action

Before starting any work, service providers must nominate the persons who will be available (both during and outside normal working hours) to prevent, prepare for, respond to and recover from incidents. There must be procedures for contacting these persons and any changes to their nominations and contact details must be notified promptly.

The names and contact details must be clearly advertised at the workplace.

Workplace Safety Rules

Service providers are required to prepare Workplace Safety Rules and ensure they are displayed on notice boards and other suitable locations in the workplace, and are provided to all personnel who may work in the workplace or visit the site. The workplace Safety Rules must include, but are not limited to:

- ensuring that all the service provider's employees, agents and if necessary, visitors wear appropriate personal protective equipment (PPE)
- entry to, movement on, and exit from the workplace: ensuring only authorised access to the workplace and to areas of work, and ensuring the safe movement of persons, vehicles and equipment
- accident and emergency procedures—ensuring that first aid facilities are clearly identified and that everyone is aware of accident and emergency procedures
- ensuring protection of all workplace personnel and the public by using barricades, fencing and overhead protection
- ensuring all work performed at heights is in accordance with the relevant safety legislation, regulations, standards and codes

- electrical work, installations and equipment—ensuring all such work and equipment complies with the construction and electrical safety legislation, regulations, standards and codes
- training—providing induction training, task training and refresher training.

Record and Document Management

Procedures for identifying, retrieving, filing and retaining OH&S and injury management records should be established. Record management should be kept in accordance with legislative requirements.

It is important to:

- develop and implement a records management system appropriate to the workplace
- communicate record keeping provisions to employees
- record all operators of the OH&S Plan.

Appendix B – Safe Work Method Statements

Safe Work Method Statements should be prepared for all work activities assessed as having a safety risk. Safe Work Method Statements are also a component of the *OH&S Management Plan* (Appendix A). Particular attention should be paid to work activities with a high safety risk (for example near hazardous substances).

Personnel who are expected to follow Safe Work Method Statements should be consulted, as this will encourage their support, capture their practical experience and encourage them to create a safe workplace.

Safe Work Method Statements must:

- be on the service provider's letterhead and show the name and registered office address of the organisation
- show the signature of a senior management representative of that organisation and the date signed.

Safe Work Method Statements must at least include:

- a description of the work to be undertaken
- the step-by-step sequence involved in doing the work
- the potential hazards associated with the work, and with each step of the work
- the safety controls used to minimise these hazards
- all precautions to be taken to protect health and safety
- all health and safety instructions to be given to persons involved with the work
- identification of health and safety legislation, codes or standards applicable to the work, and where these are kept
- the names and qualifications of those who will:
 - supervise the work
 - inspect and approve work areas, work methods, protective measures, plant, equipment and power tools

- a description of what training is given to people involved with the work
- the names of those who will be or have been trained in the work activities described in the Safe Work Method Statements, and the names and qualifications of those responsible for training them
- identification of the plant and equipment that will most likely be used in the workplace
- details of the inspection and maintenance checks that will be or have been carried out on the equipment listed.

Appendix C – Tenderer OH&S management questionnaire

OH&S Legislative Requirements

1. Does your business meet Occupational Health and Safety legislation standards?

Yes No

OH&S Policy Management

2. Does your business have a written company OH&S policy and associated programs and procedures?

Yes No

If yes, attach a copy of the policy and a list of associated programs and procedures.

Comment.....
.....

3. Is there an OH&S Management System or plan for your business?

Yes No

If yes, attach a copy of contents page(s).

Comment.....
.....

4. Are OH&S responsibilities and accountabilities clearly identified for all levels of staff in your business?

Yes No

5. Are managers required to sign to show their commitment to those responsibilities?

Yes No

6. Have procedures been established for documenting systems?

Yes No

Risk Management

7. Does your business have a risk management plan or procedures relevant to its operations?

Yes No

If yes, attach a summary listing of procedures or instructions.

8. Does the enterprise have any permit to work systems?

Yes No

If yes, attach a summary listing of permits

9. Are there documented Accident, Incident and Hazard Investigation reporting procedures?

Yes No

If yes, provide or attach an outline of these procedures
.....

10. Are there procedures for maintaining, inspecting, assessing and controlling the hazards of plant operated or owned by the enterprise?

Yes No

11. What activities are procedures provided for?

.....
.....

12. Are there procedures for identifying, assessing and controlling risks associated with manual handling?

Yes No

If yes, provide details.....
.....

13. Are there clearly defined procedures for identifying OH&S hazards, assessing risks and developing and implementing appropriate risk controls?

Yes No

If yes, provide details.....
.....

14. Are there clearly defined procedures for managing OH&S incidents, illness, injury and emergencies?

Yes No

If yes, provide details.....
.....

15. Are there clearly defined procedures for developing and communicating Site Safety Rules?

Yes No

If yes, provide details.....
.....

16. Are there clearly defined procedures for developing and implementing *Safe Work Method Statements* for activities and areas identified as having OH&S risks?

Yes No

If yes, provide details.....
.....

17. Do *Safe Work Method Statements* for the project include information on:

- the manner of providing or completing a process;
- the potential hazards and relevant risk controls associated with the activity, job or task;
- use of suitable equipment;
- compliance with OH&S legislation, standards, codes and procedures;
- record keeping;
- qualifications and training of personnel; and
- inspection and maintenance checks required.

Yes No

If yes, provide details.....

OH&S Training

18. Describe how OH&S training needs are determined?

.....
.....

19. Describe how your business conducts OH&S training needs for its employees?

.....
.....

20. Is OH&S training delivered by suitably qualified training providers?

Yes No

If yes, provide details.....
.....

21. Are language and literacy barriers addressed in your training programs?

Yes No

If yes, provide details.....
.....

22. Are all personnel given OH&S induction training upon their commencement?

Yes No

23. Are employees given appropriate task training?

Yes No

If yes, provide details.....
.....

24. Is OH&S refresher training provided regularly?

Yes No

25. Is a record maintained of all OH&S training and induction programs undertaken by employees in the business?

Yes No

If yes, provide examples of health and safety training records
.....
.....

26. Who is the designated manager responsible for the compilation and maintenance of these records?

Name.....

Position.....

27. How are your OH&S training programs evaluated?

Comments.....
.....

Incident management and Corrective Action

28. Are OH&S workplace inspections conducted on a regular basis?

Yes No

If yes, outline regularity.....
.....

29. Are employees consulted during workplace inspections?

Yes No

If yes, provide details.....
.....

30. Is there a documented workplace inspection procedure?

Yes No

If yes, attach examples.....
.....

31. Who receives reports on these health and safety inspections?

Name.....

Position.....

32. Is there a procedure by which employees can report hazards at their workplace?

Yes No

33. Is quick corrective action taken to control health and safety risks revealed by workplace inspections and hazard reports?

Yes No

If yes, provide details.....
.....

34. Are records of workplace inspections, hazard reports and corrective actions maintained?

Yes No

35. Is there a documented incident investigation procedure?

Yes No

If yes, provide details.....
.....

36. Is there a system for recording and analysing health and safety performance statistics?

Yes No

If yes, how often are statistics reviewed.....
.....

37. Are results of inspections, hazard and incident reports used to eliminate or control the hazard or risk?

Yes No

If yes, provide details.....
.....

38. Are results of inspections, hazard and incident reports and health and safety performance statistics used to improve systems?

Yes No

If yes, provide details.....
.....

39. Are records maintained of accident statistics (eg lost time, frequency rates and duration rates)?

Yes No

40. Does your business have a system for recording and analysing OH&S performance statistics?

Yes No

If yes, provide details.....
.....

41. Has the business been fined by WorkCover in the past five years?

Yes No

If yes, provide details.....
.....

42. What measures have been implemented to rectify problems which led to a fine?

Yes No

If yes, provide details.....
.....

Occupational Health and Safety consultation

43. Does your business have occupational health and safety committees?

Yes No

44. Are employees involved in decision making over OH&S matters?

Yes No

If yes, provide details.....
.....

45. Are employees consulted when risk control measures are evaluated to see if they are working properly?

Yes No

If yes, provide details.....
.....

46. Are employees elected as OH&S representatives?

Yes No

If yes, provide details.....
.....

Purchasing

47. Does your business have systems to manage safely purchasing and hiring for the work site?

Yes No

If yes, provide details.....
.....

48. Does your business ensure that materials, equipment, plant and services purchased or hired conform to specified OH&S standards?

Yes No

If yes, provide details.....
.....

49. Have procedures been developed and implemented to ensure that contractors and suppliers have implemented appropriate systems of OH&S management?

Yes No

If yes, provide details.....
.....

Sub-contracting

50. Does your business ensure that all subcontractors you use in your business understand and agree to comply with their legal responsibilities under the [NSW Occupational Health and Safety Act 2000](#) as amended and any other relevant OH&S requirement?

Yes No

If yes, provide details.....
.....

51. Is there documentation to ensure that the subcontractor understands and agrees to comply with all of your health and safety rules and procedures?

Yes No

If yes, provide details.....
.....