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Contractor safety

Tips and advice for engaging contractors





Within primary industry, many contractor companies are engaged for various types of work. It is vital that the client company and the contractor companies work together to manage risks and prevent accidents. Many of the serious accidents that have occurred within industry have happened because of failures relating to information and safety procedures when contractors are engaged. It is important that the work environment is considered as early as during contractor procurement, and that the client sets requirements concerning the contractor's work environment expertise and its resources to systematically manage the work environment. It is also of great importance that the contractor completes safety training before the work is started.

Industriarbetsgivarna's, The Swedish Association of Industrial Employers', Vision Zero, a work environment strategy for safe workplaces, has contractor safety as a focus area. We hope that this material will provide tips and advice to both clients and contractors concerning what they should think about when putting work out to contract and when performing contracting services.

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Terminology and definitions

Contractor External company engaged to perform work independently, with its own supervisors directing how the work is performed.

Supervisor Person who has been delegated by management to lead and allocate the work.

Employee Person employed by a company. Also includes fixed-term employees and temporary substitute employees.

Hired-in staff External person hired in, where another company's supervisors direct how the work is performed.

Contract Awarder The client's contract owner.

Client Contact Representative of the client who has been delegated the task of dealing with coordination matters.

Procurement Officer Person responsible for establishing the contractual elements on which the work is based.

Safe and injury-free use of contractors in primary industry

To increase safety when using contractors it is important to have a clear work process in which work environment matters are prioritised at every stage.

Four important key roles have been identified: Client Contact, Contract Awarder, Procurement Officer and Contractor's Supervisor.





1. Producing **bid documentation**

It is important to have clear bid documentation, since this forms the basis of all further work.

The bid documentation must clearly describe the basic requirements and assumptions that apply to the contract as regards the work environment and safety. It should also define what information concerning the work environment and safety the contractor is expected to provide along with its bid.

It is important not to set requirements that are irrelevant to the assignment. The client should therefore inform its contractors of the basic requirements that apply to the collaboration.

Examples of important basic requirements:

- Prohibition of forced or indebted labour, corruption, bribery, tax crime and child labour
- Contractual pay and working hours
- Systematic approach to minimising and preventing risks of accidents at work and occupational health issues
- Accident insurance, e.g. via collective agreement

The basic requirements should be in writing and signed. If the client applies basic requirements in accordance with the above principles, the contractor should be required to sign these as a condition of submitting a bid.



2. Evaluating bids

There must be clear guidelines for how work environment matters are weighted when bids are evaluated. If there are two equivalent alternatives, the alternative that can demonstrate the best compliance should be the decisive factor.

Remember that a cheaper bid may end up being considerably more expensive in the end.

When evaluating the bids received, an evaluation template can be used as a basis for further dialogue. It is also a good way of evaluating which is the most suitable contractor to use. For long-term contracts the evaluation should be more extensive than for short-term contracts.

The evaluation should be carried out at a joint meeting with procurement officers, work environment experts and the contractor.

Make it clear to the contractor how the bids will be evaluated and give feedback to those whose bids were evaluated (what was good, what needs to be improved and any reasons why they did not win the contract).



3. Contract signing

Work environment matters must be clearly regulated in the contract, with reference to the client's rules.

It is important that the requirements made of the contractor are included in the contract appendices. Avoid imposing irrelevant requirements or requirements that will not be followed up.

The contract should contain:

- Local or work-specific provisions
- What documentation the client will provide to the contractor and what documentation the contractor must provide to the client
- What joint activities are to be carried out, for example kick-off meeting, follow-up meetings, participation in safety inspections, final inspections, milestones etc.
- How incidents and non-conformities that occur during the contract period are to be reported and managed
- Approach to coordinating work environment matters if subcontractors are engaged

Contract templates need to be appropriate and designed to be as clear and detailed as possible based on the assignment to be performed.



4. **Preparing** for the work

At this stage the foundation is laid for safe, efficient execution. Dialogue between contacts at the client's organisation and the contractor's supervisors is important.

Important at this stage:

- Documentation from contractor to client: risk assessment for the specific work, contact details, lists, certificates, schedule of activities etc.
- Documentation from client to contractor: general risks in the operations as well as plant-specific risks, contact details, overall plan for the work incl. joint activities and any permits required for the work
- Keep employer responsibilities and coordination responsibilities separate



5. Contract in progress

While the work is in progress it is important that there is an appointed contact person who the contractor can turn to on all kinds of matters relating to the assignment. The client's contact must be aware of their responsibility and of the obligations that they have towards the contractor.

Joint follow-up meetings should be held at which the contractor states:

- Risks reported
- Near-misses and accidents that have occurred
- Planned measures and measures implemented
- Updates to risk assessments
- Points raised in safety inspections
- Non-conformities found in random checks
- The contractor is to initiate and perform safety inspections to investigate its own operations; it is a good idea to invite the client along too, so that shared risks can be investigated together

It is of the utmost importance that the client encourages the reporting of risks, near-misses and accidents and that these reports are used to prevent risks – not for the purpose of punishing the contractor.



6. After **contract has ended**

After the assignment has been completed there should be an evaluation of how well the contractor complied with the contract and requirements – in order to find areas for improvement.

The evaluation should include, for example:

- Incidents that occurred
- Contractor's input
- Compliance with agreements and contract
- Work performance
- Overall assessment of the assignment from a work environment and safety perspective
- The evaluation should be made objectively, with particular consideration of the fact that there is often a relationship of dependency between client and supplier

The results of evaluations should be reported as a separate item in conjunction with the end of the contract (final meeting, final checks, final inspection or equivalent). In lengthy projects evaluation should be carried out on repeated occasions, e.g. every six months. The contractor should also be given opportunity to give its views on the client's input (support, interventions, information etc.)

Responsibility matrix

Coordination responsibilities Contact's tasks

Coordinate and schedule the works so as to minimise work environment risks

Issue permit (at company level)

Ensure that equipment used by other companies is safe

Assess plant-specific risks as well as risks that may arise between companies

Take action to remedy and follow up failures in the work environment that relate to the plant or that arise in a shared workplace

Employer responsibilities Supervisor's tasks

Ensure that their own company and its personnel comply with laws and requirements

Ensure that the personnel used have the right skills

Issue permits (employees, hired-in staff)

Ensure that own equipment is safe

Arrange access to the right protective equipment/personal protective equipment

Assess work-specific risks and communicate to own personnel/hired-in staff and contact person

Take action to remedy and follow up failures in the work environment that affect own personnel/hired-in staff

Employee responsibilities Employee's tasks

Cooperate with the employer to improve the work environment

Report all failures in the work environment to the supervisor

Participate in remedying failures

Comply with laws and requirements

Follow the employer's instructions

Ensure that others are not exposed to risk

Note: Also includes hired-in staff!

Industriarbetsgivarna's Vision Zero - a work environment strategy for completely safe workplaces

Industriarbetsgivarna has adopted a Vision Zero policy on health issues and accidents. We see Vision Zero as being at the heart of a good safety culture in our member companies and believe it also brings great business benefits.

Vision Zero is based on the conviction that all work-related accidents that result in death or in someone being injured can be prevented. Everyone in a workplace has a responsibility not just for safety, but also for the work climate. Management has the ultimate responsibility for achieving Vision Zero.

The benefits of Vision Zero are obvious: it protects a company's main asset – its employees – from injury and health problems. Vision Zero is therefore fundamentally an ethical approach.

Industriarbetsgivarna sees Vision Zero as part of a work environment strategy for completely safe workplaces, so it is a sustainability issue. For successful companies Vision Zero is as obvious as having world-leading products.



For more information about safety and Industriarbetsgivarna's booklet on Vision Zero visit:
www.industriarbetsgivarna.se



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