

Contractor and Supplier HSE Management Procedure

1. Purpose

Queensland Hydro, as a Person Conducting a Business or Undertaking (PCBU), has a primary duty to ensure, so far as reasonably practicable, the health and safety of employees, Contractors, Subcontractors and employees of Contractors and Subcontractors, whilst engaged at Queensland Hydro's sites or locations of business.

Queensland Hydro also has a range of obligations to avoid pollution or harm to the environment and to comply with any licences and approvals in relation to activities on sites that it occupies, including activities undertaken by Contractors and Subcontractors on those sites.

To ensure it fulfils its duties and obligations with respect to being a PCBU, Queensland Hydro applies a systematic and consistent approach to Contractor/Supplier management at all phases, including planning, sourcing, engagement, mobilisation, delivery, performance management and assurance.

The purpose of this procedure is to outline the processes used in this approach, which enable Queensland Hydro to manage health, safety and environmental risks and issues associated with engaging Contractors and Suppliers, including:

- ensuring that work performed by Contractors is to a standard consistent with Queensland Hydro's health, safety and environmental policies and procedures and relevant legislative requirements; and
- using the expertise of Contractors to achieve the required standards of health and safety and environmental performance where appropriate.

2. Scope

This Procedure applies in all circumstances where Queensland Hydro engages a Contractor or Supplier to:

- perform services and/or works; and/or
- supply goods/materials or equipment located at its site or business location.

This Procedure does not cover other aspects of procurement, contract development and contract management and does not cover the processes used to ensure the quality of work undertaken by Contractors. This document should be read in conjunction with the Queensland Hydro **Procurement Procedure (PR-PRO-0003)** and relevant Queensland Hydro quality management procedures.

Where a Queensland Hydro Contractor has received approval from Queensland Hydro to engage Subcontractors, the Contractor is responsible for undertaking, as a minimum, an equivalent process to that detailed in this Procedure for their own Subcontractor(s).

3. Responsibilities

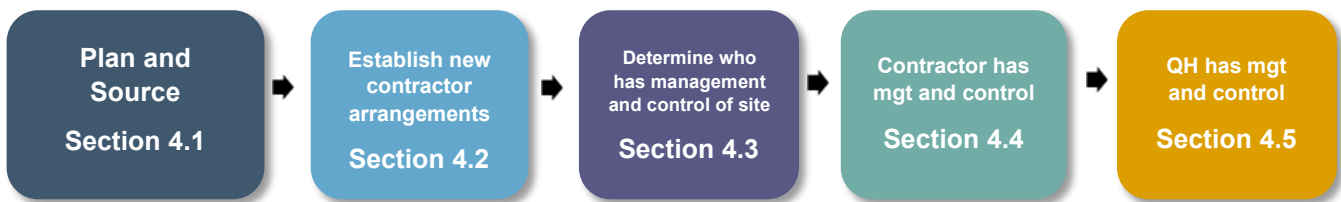
Who	What
Project Manager	<ul style="list-style-type: none"> ▪ Consult HSE teams to ensure that all relevant documentation is provided as part of the Request for Tender/ Invitation to Tender (ITT) or Request for Quote (RFQ). ▪ Evaluate potential suppliers with consideration of past HSE performance. ▪ Confirm scope of work and terms and condition. ▪ Ensure information is provided to Contractor on known HSE hazards. ▪ Ensure a pre-work risk assessment is undertaken and HSE documentation has been reviewed. ▪ Manage Contracts through post-award lifecycle as the single point of contact for Contractors on all contract matters. ▪ Monitor Contract performance and compliance. ▪ Regularly engage with Contractors to maintain effective relationships.
Procurement Team / Legal Team	<ul style="list-style-type: none"> ▪ Ensure tender documentation and Contracts reflect the responsibility for and allocation of risk in relation to health, safety and environmental management. ▪ Manage and facilitate the supplier evaluation process.
Commercial (Contracts) Team	<ul style="list-style-type: none"> ▪ Ensure compliance with contract obligations. ▪ If Contractor is appointed Principal Contractor or to have Management and Control over the workplace, issue relevant appointment (and handback) letter to Contractor following consultation with Safety and Delivery teams. ▪ Facilitate Contractor performance review at end of Contract.
HSE Teams	<ul style="list-style-type: none"> ▪ Review Scope of Work documentation to identify any key risks associated with the requested work. ▪ Develop and maintain HSE requirements. ▪ Support evaluation of Contractors process by reviewing Contractor HSE documentation provided. ▪ Support with the HSE Prequalification Process. ▪ Post award, review Contractor HSE documentation. ▪ Participate in Joint Pre-Work Risk Workshop where Contractor is a Dependent Contractor and CRAW for Independent Contractor ▪ Support the Contract Manager to undertake periodic assurance activities against safety and environmental performance and compliance.

4. Process

The process that Queensland Hydro undertakes to ensure it fulfils its health, safety and environmental duties and obligations with respect to being a PCBU fall into three stages:

1. Procurement.
2. Job Planning.
3. Site Management.

Stage	Process Steps			
Stage 1: Procurement	1. Identify the category of procurement (Section 4.1.1)	2. Ensure the supplier has the required HSE experience and qualifications to undertake the works under the contract safely and without risk to health or the environment (Section 4.1.2)	3. Determine who will have Management and Control of the Works Site (where work is on Queensland Hydro site) (Section 4.3)	4. Ensure the Tender documentation and Contract specifically identifies, defines and allocates responsibility for the management of HSE risks, considering the category of procurement (Section 4.3)
Stage 2: Job Planning	1. Where Queensland Hydro has Management and Control of the Works Site, ensure all works are planned with the Contractor(s) and executed in a manner that controls all HSE Risks ALARP		2. Where the Contractor has Management and Control of the Works Site, Queensland Hydro will rely on the Contractor's work planning	
Stage 3: Site Management	1. Where Queensland Hydro has Management and Control of the Works Site, Queensland Hydro must directly supervise and manage all aspects of the Works (Section 4.5)		2. Where the Contractor has Management and Control of the Works Site, Queensland Hydro must undertake adequate assurance activities to verify that the Contractor is taking the necessary and appropriate steps to manage health and safety and to protect the environment from harm (Section 4.4)	



4.1 Plan and Source

4.1.1 Determine Procurement Type

Queensland Hydro typically engages suppliers in one of six procurement types where HSE requirements apply:

- Supply of goods only.
- Offsite works.
- Onsite works.
- Onsite services.
- External services.
- Embedded contractors.

Each type of procurement has a tailored approach to reflect the HSE risk profile, the capacity of the potential supplier to conform (including their HSE qualifications) and whether the management arrangements are inherently of a control or influential nature.

The Requestor of the procurement activity must identify the required scope of work and determine the appropriate procurement type to manage the scope, with assistance from the Procurement team as required. Appendix 1 provides further detail on the different procurement types and the roles and responsibilities of each party.

Suppliers may be engaged via a request for tender process or via direct engagement.

4.1.2 Request for Tender

For works going through a formal request for tender (RFT) process, the Procurement lead and Project Manager are to ensure the HSE teams have identified what HSE information is required to be included in the RFT pack.

Information in an RFT related to HSE may include:

- Requests for the proponent to provide information on past HSE performance.
- Requests for the proponent to provide key HSE documentation, such as policies and key procedures.
- Requests for proposed management plans to be used by the proponent to manage the works, such as (but not limited to) health and safety management plan, construction environment management plan, security management plan, erosion control and sediment management plan, traffic management plan, etc.
- Providing the proponent with any relevant Queensland Hydro's specifications for health and safety and environment, which outline the minimum HSE requirements that the proponent will be required to be aligned to whilst undertaking the work.
- Providing the proponent with information regarding any known HSE hazards/restrictions inherent to the site/work, any environmental approval requirements and associated controls.

Approval of tender documentation from the relevant HSE teams must be obtained prior to the release of any information to potential proponents.

It is the Project Manager's responsibility to ensure the HSE teams, together with the Procurement Team, review all information provided by the proponent in response to the RFT, in order to evaluate the proponent's capability to adequately manage HSE risks associated with the proposed scope of work(s) **prior** to any contract award.

Where the review determines a proponent does not have an acceptable system to manage HSE risk and/or has a demonstrated poor history of HSE performance, the proponent should not be engaged by Queensland Hydro.

4.1.4 Direct engagement

Smaller/ low risk packages of work may be awarded without an RFT process and no requirement for a returnable schedule. Where this is the case, the Procurement Team will request the supplier complete the HSE **Pre-qualification Questionnaire (HS-GUI-0010)**. This questionnaire seeks to obtain information from the Supplier of the status of their HSE management systems and past HSE performance.

The HSE teams will review the information provided and evaluate the Supplier's capability to manage HSE risks associated with the proposed scope of work(s).

Where the review determines the Supplier does not have an acceptable system to manage HSE risk and/or has a demonstrated poor history of HSE performance, the Supplier should not be engaged by Queensland Hydro.

A register of pre-qualified contractors will be maintained and will include the following minimum information:

- Supplier Name;
- Contact Information;
- Work type(s) pre-qualified for;
- HSE performance information.

Where the need for a new service is identified, the procurement requestor should review the pre-qualification register to determine whether an existing pre-qualified supplier has the ability to undertake the service needed.

4.1.5 Exemption to HSE review

Queensland Hydro may establish a contract arrangement without any formal review of HSE experience/qualifications under the following circumstances only:

- **Supply only** – The contract instrument must state that the Supplier is required to provide equipment or services that can be installed, operated or implemented by Queensland Hydro safely and without risks to health or the environment.
- **Deliveries** – subject to any project/site requirements.
- **Emergency work** – where a supplier is required as a matter of urgency to assist with an emergency situation – defined as a significant event, or series of events, that has occurred or is likely to occur that may threaten life, property, or the environment. Emergency work is limited to doing only what is necessary to address the significant risk.

4.2 Establish New Contract Arrangements

Contract arrangements are required to be established with Suppliers, whether they are engaged through panels or as repeat or single use Suppliers.

All contract instruments, including purchase orders, must specifically identify, define and allocate responsibility for the management of HSE risks. The more complex and hazardous the works to be performed, the greater the need for a detailed contract specification that clearly defines the obligations of all parties.

The HSE teams are responsible to provide and advise on appropriate HSE clauses. This will include the full list of all documentation Queensland Hydro require the Supplier to prepare and provide, such as management plans, as well as other obligations such as reporting requirements.

The Project Manager must ensure the Head of HSE and Environment Manager are consulted, and work with the Commercial, Procurement and Legal teams prior to finalising the Contract.

It is the Project Manager's responsibility to ensure there are HSE clauses in place within the Contract itself, or that the contract refers to a relevant contractor health and safety and/or environmental specification. **Appendix A** details the minimum required terms that are to be included for each type of procurement.

4.3 Determining who has management and control for on-site works

Where Queensland Hydro engages a Supplier to undertake onsite works, the Project Manager must decide who will have management and control of the site works. The Project Manager must ensure the Head of HSE and Environment Manager are consulted prior to making this determination.

There are three options:

1. **Queensland Hydro retain management and control of the works.** This option will be used when the Supplier has been determined to be a Dependent Contractor (refer below).
2. **Queensland Hydro appoint the Supplier to have management and control of the works.** This option will typically be used when the Supplier has been determined to be an Independent Contractor (refer below).
3. In the case of Construction Projects (construction work valued over \$250,000), **Queensland Hydro may appoint the Independent Contractor to be the nominated Principal Contractor.**

The determination on who will have management and control of the site works will be made considering:

- the scope of work (e.g. level of complexity).
- the level of maturity of the Supplier's HSE management systems.
- the Supplier's demonstrated past HSE performance.

Table 2 provides examples of who would be considered an independent versus dependent contractor. Further information is provided in **Appendix A**.

Table 2

Independent Contractor	Dependent Contractor
<p>Manages the entire operation of the scope of work under the Contract.</p> <p>Has management and control over the worksite, or part of a larger worksite while it completes its works.</p>	<p>Manages a discrete project within a Queensland Hydro operation; OR</p> <p>Manages their own specialist work.</p>
<p>Will typically be a Tier 1, 2 or possibly Tier 3 Contractor.</p>	<p>Typically, smaller suppliers – e.g. building, grounds or vegetation maintenance, plant and equipment supply; trade services (electrician, plumber).</p>
<p>Works under their own established health and safety and environmental management system - Queensland Hydro will rely on the contractors' own technical expertise to manage risks.</p>	<p>Works under Queensland Hydro's health and safety and environmental management system. Typically will not have established HSE systems/ their system is not mature enough.</p>

4.3.1 Determination regarding Principal Contractor

Where the scope of work meets the definition of “construction work” under the WHS regulations **and** the value of the work is \$250,000 or more, a Principal Contractor must be appointed for the works. Queensland Hydro can elect to be the Principal Contractor; however, in most cases Queensland Hydro will nominate the Independent Contractor to be the Principal Contractor.

The questions in **Table 3** must be considered before the determination is made:

Table 3

Question	Relevant Factors	Who should be appointed as the Principal Contractor?
<p>Is exclusive site possession by the Contractor practical?</p>	<p>The Site can be fenced off or otherwise clearly delineated.</p> <p>Queensland Hydro does not require access to the site to undertake other works for the duration of the construction works.</p> <p>Queensland Hydro is comfortable with being subject to the Contractor's site rules.</p>	<p>Contractor</p>
	<p>The site cannot be fenced off or otherwise delineated as Queensland Hydro need access to undertake other works at the same time.</p>	<p>Queensland Hydro</p>

Question	Relevant Factors	Who should be appointed as the Principal Contractor?
Who has the most appropriate expertise, skills and experience in the works?	The Contractor has demonstrated capabilities and experience, including systems and processes, to manage the whole of the Work Scope (as opposed to discrete tasks) safely.	Contractor
	The Contractor's capability and experience is limited to undertaking particular tasks.	Queensland Hydro
Who can better manage WHS on the works site?	The Contractor has demonstrated the capabilities and experience, including in its systems, to be able to manage the whole of the work site safely.	Contractor
	The Contractor has a successful track record as a Principal Contractor.	
	The Contractor has never previously acted in the capacity of Principal Contractor.	Queensland Hydro
	The Contractor's capability and experience is limited to undertaking particular tasks.	

Further information in relation to the appointment of a Principal Contractor is contained in **Appendix B**.

NB: For construction work **under** the value of \$250,000, the WHS legislation does not allow a Principal Contractor to be appointed; however, Queensland Hydro may elect to authorise a contractor to have *management and control* of a workplace. In this event the Contractor does not inherit the additional duties of a Principal Contractor under the WHS Regulation; however, Queensland Hydro can add additional WHS requirements in the contract instrument similar to those duties imposed on a Principal Contractor – for example the requirement to provide a Health and Safety Management Plan (HSMP).

4.4 Process for appointment and management of works where the Contractor has management and control of the works site

Table 4 details the actions that must be taken in relation to job planning and site management where Queensland Hydro has appointed the Contractor to have management and control of the works site.

NB: In order to allocate responsibility effectively to the Contractor for site health, safety and environment management and to rely on the Contractor to fulfil this responsibility, Queensland Hydro **cannot retain** any of the actions / functions that belong to the Contractor.

Table 4

Contractor has management and control of the works site	
Occupancy of site	<p>Queensland Hydro gives the Contractor full possession and exclusive occupancy of the Works Site.</p> <p>Queensland Hydro can only access the Works Site with the Contractor’s permission.</p> <p>Queensland Hydro workers are subject to the WHS and E requirements of the Contractor.</p>
Environment Approvals (where required)	<p>Preferably, the Contractor will hold any required Environment Approvals.</p> <p>If this is not possible and Queensland Hydro holds the Environment Approvals, then the Contract instrument must set out and require the Contractor to fulfil all obligations arising from those Approvals.</p>
Pre-Work risk assessment	<p>The Contractor is to undertake a pre-work Construction Risk Assessment Workshop (CRAW). Queensland Hydro will attend the workshop in the capacity of observer only.</p> <p>Where Queensland Hydro is aware of any specific hazards associated with the scope of work / site where work will be occurring, the Project Manager is to ensure these are shared with the Contractor during the CRAW (if not beforehand) – for example, providing the Contractor with access to the Project Fibrous Minerals register.</p> <p>Contractor is to provide a copy of the completed risk register to Queensland Hydro post workshop.</p>
Preparation of Management Plans	<p>The Contractor is required to prepare all necessary management plans (as detailed in the contract) and to ensure these plans meet all requirements detailed in the relevant Queensland Hydro HSE specifications.</p>
Review of Management Plans/ HSE documentation	<p>The Contractor must submit its Management Plans to Queensland Hydro for review. The HSE teams will review the content of the management plans to ensure compliance against the relevant Queensland Hydro specifications and legislation.</p> <p>Queensland Hydro will not approve this documentation but will notify the Contractor of whether it has achieved objection or no objection status. Where an objection has been raised, Queensland Hydro will advise the Contractor of the details and require the Contractor to amend and re-submit the document.</p>
Right to Start	<p>The Project Manager initiates the Right To Start (RTS) process by sharing the RTS Client Checklist (QH-NA-NON-PMG-CHL-00001) with nominated functional stream leads, including:</p> <ul style="list-style-type: none"> ▪ Health and Safety ▪ Environment ▪ Design ▪ Approvals ▪ Contracts and Procurement ▪ Stakeholder and Local Communications ▪ Quality ▪ HR/IR

	<p>The Project Manager will set a date by which each stream lead is accountable to complete their section, confirm that all prerequisites relevant to their function have been met and provide evidence in the checklist that the item has been completed (or where not completed, an expected date for completion).</p> <p>The Project Manager will coordinate with the functional leads to review the status of all RTS items. The Project Manager will involve the Contractor as and when required.</p> <p>Once all functional streams have completed their inputs, the Project Manager acknowledges completion of the RTS checklist in Teambinder and submits it for final sign-off by the Senior Project Manager or Construction Director as appropriate to confirm readiness to commence works.</p> <p>The finalised checklist is to be saved in Teambinder as a Project record.</p>
<p>Mobilise to site</p>	<p>Once the Contractor has been deemed “right to start”, the Project Manager is to arrange for a joint site inspection with the Contractor, led by the Person in Charge. This inspection is to be recorded using the Principal Contractor Handover Inspection form in Sitemate and will highlight any latent site conditions that exist. During this inspection the Contractor’s representative is to confirm they are happy to accept management and control of the site.</p> <p>Once this has occurred, the Project Manager/ Contract Manager is to issue the Contractor with a Management and Control of Site (Formal Handover) letter, using the template BR-NA-NON-CCM-LTR-00001. This letter must be accompanied with the site inspection report and a site map that clearly shows the boundaries of the Contractor’s site.</p> <p>The letter must also state the date and time from which the Contractor will take possession and management and control of the site.</p>
<p>Induction and Training</p>	<p>The Contractor will be responsible for inducting all personnel to the Works Site, including any Queensland Hydro workers who may need to visit/ work at the Site and maintaining all induction and training records.</p>
<p>Site Management</p>	<p>The Contractor is responsible for the management and supervision of all work on site. Queensland Hydro should not intervene in the day-to-day supervision of the Works or the Works Site.</p>
<p>Assurance Activities</p>	<p>For the duration of the works, Queensland Hydro must undertake reasonable periodic assurance activities to verify that:</p> <ul style="list-style-type: none"> ▪ the works are conducted in accordance with the Contractor’s management plans and other documentation; and ▪ that the Contractor is taking the necessary and appropriate steps to manage the health and safety of personnel on the Works Site, and to protect the environment from harm. <p>These assurance activities will be undertaken by the Construction and HSE teams and will include activities such as undertaking joint site inspections; audits; attending the contractor’s daily prestart briefing; reviewing incident reports and investigations and where required, observing investigations for significant incidents. Inspection and audit records will be completed and maintained within Bluestream.</p>

	The Construction Team will be responsible to complete a Daily Site Diary for each Contractor which records details of the work activities observed, weather and access conditions and other details such as any delays, deliveries received etc. Daily diary records will be completed and maintained within Sitemate.
Stopping work	<p>Where Queensland Hydro observes that a Contractor is working in a manner that could immediately threaten:</p> <ul style="list-style-type: none"> ▪ personnel health or safety ▪ the environment or ▪ public safety <p>Queensland Hydro must direct the Contractor to immediately cause the activity to stop. Queensland Hydro must be satisfied that the issue is resolved before the Contractor can resume work.</p> <p>Where the issue is unable to be easily rectified, a formal written Stop Work instruction may be issued by the Queensland Hydro Project Director.</p>
Handback of site	<p>At the completion of works, the Project Manager must arrange for a joint site inspection with the Contractor to ensure the Contractor has left the site in a safe condition. The Person in Charge will document this inspection the Principal Contractor Handback Inspection form in Sitemate.</p> <p>Post the inspection the Project Manager must issue the Contractor with a Formal Handback letter, using the template BR-NA-NON-CCM-TEM-00017. This letter must clearly state the date and time from which Queensland Hydro will resume possession of the site and include a copy of the handback inspection report.</p>
Contractor evaluation	Contractor performance should be assessed at the completion of a package of works or Contract with a summary of this assessment retained by the Contracts Team. These records will be a source of information used for the development of future contracts and their award.

4.5 Process for appointment and management of works where Queensland Hydro has management and control of the works site

Queensland Hydro will typically retain management and control of the works site when a Dependent Contractor has been engaged to undertake the works.

Table 5

Queensland Hydro has management and control of the works site	
Occupancy of site	Queensland Hydro retains occupancy and possession of the Works Site, and the Contractor has access only.
Environment Approvals	<p>Preferably, the Contractor will hold Environment Approvals.</p> <p>If this is not possible and Queensland Hydro holds the Environment Approvals, then the Contract must set out and require the Contractor to fulfil all obligations arising from those Approvals.</p>
Queensland Hydro HSE Requirements	<p>The Contractor is referred to the Queensland Hydro Contractor and Supplier Portal, where they can obtain copies of Queensland Hydro's policies and health and safety procedures, management plans etc. The Project Manager is to ensure any relevant environmental procedures are shared with the Contractor.</p> <p>The Contractor is required to review the procedures relevant to their scope of works, to ensure risk controls identified in their SWMS/JSAs etc are in line with Queensland Hydro's requirements.</p> <p>Where the works require a Safety Management Plan and/or Environment Management Plan,</p>

	Queensland Hydro will prepare these plans and provide them to the Contractor.
Pre-Work Information	<p>The Project Manager is to share with the Contractor information relating to any relevant hazards associated with the scope of work/ site where work will be occurring, as well as any specific controls required to manage these hazards (for example, PPE or mandatory training requirements).</p> <p>The Project Manager must also identify any work permits that may be required (e.g. environmental access permits or high risk work permits).</p> <p>The form HS-FRM-0055 Pre-Work Information can be used to record and share the above information. This may be supplemented by other documentation such as a Project Safety Management Plan (in the case of construction works) or scope-related Safety in Design reports where available.</p>
Pre-Work Risk Assessment	<p>A joint pre-work risk assessment is to be conducted by Queensland Hydro, with the Contractor to actively participate. The outcomes are to be documented and shared with the Contractor using HS-FRM-0003 Pre-Work Risk Assessment.</p> <p>For works that are small in scope and risk the Project Manager may decide to not undertake a joint risk assessment but instead immediately request the Contractor's SWMS/ JSA/ JHA for review.</p>
Review and acceptance of HSE documentation	<p>The Contractor is to submit their SWMS/ JSA / JHA to the Project Manager. The H&S and Environmental teams will review and approve the documentation. The form HS-FRM-0004 SWMS Review Form can be used as required, or else the document can be marked up and emailed to the Contractor with comments.</p> <p>Where issues are noted, these will be discussed with the Contractor and further review of amendments completed by the Contractor will be undertaken, until Queensland Hydro approve.</p>
Induction and Training	<p>Before commencing work on a Queensland Hydro site, the Contractor's personnel and any Subcontractors must complete all Queensland Hydro inductions relevant to the type of engagement, in accordance with the Training and Competence Procedure (HS-PRO-0008). It is the responsibility of the Project Manager to ensure this induction training has been completed.</p>
Issue Authority to Work	<p>Once the steps outlined above have been undertaken, the Project Manager is required to confirm authority for the Contractor to mobilise. No work should proceed without this authorisation.</p> <p>A Queensland Hydro Authority to Work (HS-FRM-0015) for the Contractor's scope of work must be issued prior to the Contractor accessing site.</p>
Manage and assure	<p>Queensland Hydro has management and control of the works and must:</p> <ul style="list-style-type: none"> ▪ supervise all works; and ▪ take reasonable steps to ensure compliance by the Contractor and others on the Works Site. <p>The Project Manager is required to assess the appropriate level of supervision and oversight for each Contract. This will involve a consideration of:</p> <ul style="list-style-type: none"> ▪ the degree of risk inherent in the tasks to be performed ▪ the qualifications and experience of the Contractor ▪ whether the task requires highly specialised skills ▪ whether personnel are qualified to supervise that type of task ▪ the extent of interaction or conflict with the activities of other employees or Contractors; and ▪ the nature of any site-specific hazards or special equipment to be used by the Contractor.

Stopping work	<p>If a Contractor is working in a manner that could immediately threaten:</p> <ul style="list-style-type: none"> ▪ personnel health or safety ▪ the environment ▪ public safety; or ▪ the safe operation of plant and apparatus <p>Queensland Hydro must direct the Contractor to immediately cause the activity to stop.</p> <p>Queensland Hydro must be satisfied that the issue is resolved before the Contractor can resume work.</p>
Conclusion of work	<p>Contractor performance should be assessed at the completion of a package of works or Contract and the Contracts Administration team will maintain a record of this assessment. This will be a source of information for development of future contracts and their award.</p>

5 Duty to Consult

Queensland Hydro owes a related duty to consult, cooperate and coordinate activities with Contractors (and others involved in work that is performed for Queensland Hydro) regarding health and safety issues in the workplace.

The duty to consult has two elements:

1. Horizontal consultation between Queensland Hydro and other duty holders, including Contractors; and
2. Vertical consultation between duty holders (including Queensland Hydro) and workers engaged in its business.

The duty to consult referred to in (1) also includes requirements to cooperate and coordinate activities with those other duty holders. The steps Queensland Hydro must take to comply with the duty to consult are set out in Table 6 below.

Table 6

Category of Procurement	Duty to Consult on Safety Matters
Supply-Only	<p>Horizontal consultation to the extent that Queensland Hydro must communicate any HSE risks it is aware of in relation to the equipment to be designed, and the Contractor must communicate all necessary information to ensure that the equipment can be installed and operated safely.</p> <p>Duties of a designer in relation to construction work (under regulations), must be met by the Contractor, where relevant.</p> <p>Vertical consultation with Contractor's employees not required as Queensland Hydro has no control over Contractor's premises.</p>
Off-site Works	<p>Horizontal consultation with the Contractor at the time of entering into Contract.</p> <p>Vertical consultation with the Contractor's employees is not required as Queensland Hydro has no control over the Contractor's premises or the Works.</p>
On-site Works	<p>Horizontal consultation with Contractor at the time of entering into Contract, and at appropriate intervals throughout the course of the Works.</p> <p>Vertical consultation with individuals on site if Queensland Hydro has management and control of the Works Site directly or through the Contractor.</p> <p>If Queensland Hydro does not have management and control of the Works Site, vertical consultation must be undertaken by the Contractor.</p>
Onsite services	<p>Horizontal consultation with the Contractor at the time of entering into Contract, and at appropriate intervals throughout the course of the Works.</p> <p>Vertical consultation with individuals on site directly or through the Contractor.</p>
Offsite services	<p>Horizontal consultation with the Contractor at the time of entering into Contract.</p>

	Vertical consultation with the Contractor's employees is not required as Queensland Hydro has no control over the Contractor's premises or the Works.
Embedded contractors	Horizontal consultation with the Contractor at the time of entering into Contract, and at appropriate intervals throughout the course of the Works.

6 Defined terms

Table 8

Term	Definition
Contract Manager (CM)	Recommended to be a representative within the business unit with the relevant commercial skills.
Contractor	An entity, such as an individual, partnership, trust or company that agrees to supply goods, equipment, services and/or works, whether under a Contract or other Procurement Instrument
Contract	The formal agreement with legally binding conditions entered into by Queensland Hydro and a Contractor.
Supplier	An external party that provides Queensland Hydro with <i>goods or services</i> . The term Supplier is synonymous with Contractor, Vendor, Consultant, Seller or Merchant.
Risk	The potential occurrence of an adverse effect on human life or health, or the environment, because of exposure to a hazard.
Emergency Work	<p>Emergency work is required when a significant event, or series of events, has occurred or is likely to occur that may threaten life, property, or the environment. Emergency work is limited to doing only what is necessary to address the significant risk.</p> <p>Emergency means a situation that is or could result in an OH&S or environmental incident. It does not refer to responding to an electricity market issue</p>
Principal Contractor	Means a Principal Contractor for “high risk construction works” in accordance with the <i>Work, Health and Safety Regulation 2011</i> (QLD)
Procurement Manager	For the purposes of this Procedure, means the individual responsible for managing the procurement activity
Management and Control	Means, in relation to a Works Site, day-to-day management and control of the Works Site and of all activities undertaken on the Works Site.
Subcontractor	Means an individual, company, partnership, trust or other legal entity that provides a service and / or a product to a Contractor to be incorporated into the works, services, goods or equipment that the Contractor is providing to Queensland Hydro under a Contract.

7 References

Table 9

Document ID	Document title
HS-FRM-0055	Pre Work Information Form
HS-FRM-0004	SWMS Review Form
HS-FRM-0015	Authority to Work Form
HS-FRM-0003	Pre Work Risk Assessment
HS-PRO-0004	Assurance and Improvement Procedure
HS-PRO-0007	HSE Risk Management Procedure
HS-PRO-0008	Training and Competency Procedure
PR-PRO-0003	Procurement Procedure
PR-GDE-0002	Procurement Guideline
BR-NA-NON-CCM-LTR-00001	Template - Management and Control of Site (Formal Handover) letter
BR-NA-NON-CCM-TEM-00017	Template - Management and Control of Site (Formal Handback) letter
ENV-SPC-001	Environment Principal Contractor Specification Rev 2
ENV-SPC-002	Environment Dependent Contractor and Supplier Specification Rev 2

Appendix A – Supplier Type

		Independent Contractor	Dependent Contractor	Supplier of Goods	External Services	Onsite Services	Embedded Contractor	
	Description	<ul style="list-style-type: none"> Manages the entire operation of the scope of work under the Contract 	<ul style="list-style-type: none"> Manages a discrete project within a Queensland Hydro operation OR Manages their own specialist work 	<ul style="list-style-type: none"> Entity providing equipment, goods or services from its own premises to be delivered to Queensland Hydro. Includes transport of equipment to the site if Queensland Hydro has not engaged the transport contractor. <p>NOTE: Any installation of components may require separate approach.</p>	<ul style="list-style-type: none"> Provides services outside Queensland Hydro operations (i.e., Service Provider) 	<ul style="list-style-type: none"> Contractor providing services (such as training or consulting services) which requires access to a Queensland Hydro site, but not undertaking Works that may be physically hazardous 	<ul style="list-style-type: none"> Queensland Hydro controls the work to be delivered Contractor is located primarily within Queensland Hydro workplace 	
	Examples	<ul style="list-style-type: none"> Construction project over \$250K in value 	<ul style="list-style-type: none"> building maintenance, grounds maintenance, vegetation management, trade services e.g., electrician, plumber 	<ul style="list-style-type: none"> Overseas components being purchased and imported to Australia; Construction materials; Equipment supplier for offsite component 	<ul style="list-style-type: none"> External training services; and External transport providers for offsite components. Servicing of Queensland Hydro vehicle 	<ul style="list-style-type: none"> IT Consultant Designer 	<ul style="list-style-type: none"> Owners Engineer Contingent labour hire 	
CONTROL	Workplace	<ul style="list-style-type: none"> Contractor 	Contractor - / defined area only	<ul style="list-style-type: none"> Vendor 	<ul style="list-style-type: none"> Contractor 	<ul style="list-style-type: none"> Contractor 	<ul style="list-style-type: none"> Queensland Hydro 	
	Task/activity	<ul style="list-style-type: none"> Contractor 	Contractor	<ul style="list-style-type: none"> Vendor 	<ul style="list-style-type: none"> Contractor 	<ul style="list-style-type: none"> Contractor 	<ul style="list-style-type: none"> Queensland Hydro 	
	Plant / Equip	<ul style="list-style-type: none"> Contractor 	Contractor	<ul style="list-style-type: none"> Vendor 	<ul style="list-style-type: none"> Contractor 	<ul style="list-style-type: none"> Contractor 	<ul style="list-style-type: none"> Contractor and/or Queensland Hydro 	
	Supervision	<ul style="list-style-type: none"> Contractor 	Contractor	<ul style="list-style-type: none"> Vendor 	<ul style="list-style-type: none"> Contractor 	<ul style="list-style-type: none"> Contractor 	<ul style="list-style-type: none"> Queensland Hydro 	
PHASES & TOOLS	Est. Arrangements	<ul style="list-style-type: none"> HSE specifications 	HSE Dependent Spec HSE Pre-qualification Evaluation	<ul style="list-style-type: none"> RFQ 	<ul style="list-style-type: none"> RFQ 	<ul style="list-style-type: none"> RFQ 	<ul style="list-style-type: none"> RFQ 	
	Specific Scope	<ul style="list-style-type: none"> HSE Pre-qualification Evaluation 	HSE Pre-qualification Evaluation	<ul style="list-style-type: none"> Purchase arrangements 	<ul style="list-style-type: none"> Purchase arrangements 	<ul style="list-style-type: none"> Purchase arrangements 	<ul style="list-style-type: none"> Contract 	
	Pre-Mobilise	<ul style="list-style-type: none"> Joint CRAW workshop 	Pre Work Information Form	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a 	
	Manage & Assure	<ul style="list-style-type: none"> Inspection/Insights/Audits 	Inspection/Insights/Audits	<ul style="list-style-type: none"> Insights/Audits 	<ul style="list-style-type: none"> Insights/Audits 	<ul style="list-style-type: none"> Insights/Audits 	<ul style="list-style-type: none"> Insights/Audits 	
ROLES & RESPONSIBILITIES	Queensland Hydro	<ul style="list-style-type: none"> Selects capable Contractor; Confirms establishment of suitable systems, controls and interfaces; Discloses hazards/restrictions inherent to the site/work, approval requirements and associated controls; Oversees through reporting and assurance verifying contractor working to own system. 	<ul style="list-style-type: none"> Selects capable contractor; Confirms establishment of suitable systems, controls and interfaces. Discloses risks/restrictions inherent to the site/work, approval requirements and associated controls; Oversees through reporting and assurance verifying contractor working to agreed systems; Queensland Hydro directly manages and supervises the broader workplace and Contractor interface. 	<ul style="list-style-type: none"> Directly confirms that supply requirements are met at delivery; Selects capable Contractor and regularly assesses performance 	<ul style="list-style-type: none"> Selects capable Contractor and regularly assesses performance Directly manages interfaces for Queensland Hydro personnel. 	<ul style="list-style-type: none"> Selects capable Contractor and regularly assesses performance Directly manages interfaces for Queensland Hydro personnel. 	<ul style="list-style-type: none"> Selects capable Contractor and manages integration into the operating environment and Queensland Hydro HSMS requirements; Provides direct supervision. 	

		• Independent Contractor	• Dependent Contractor	• Supplier of Goods	• External Services	• Onsite Services	• Embedded Contractor
ROLES & RESPONSIBILITIES	Contractor	<ul style="list-style-type: none"> Self-manage the entire workplace and all personnel and plant at the workplace Operate under its own HSE systems and provide all HSE resourcing and supervision. Collaborate with Queensland Hydro on interface and shared responsibility matters 	<ul style="list-style-type: none"> Self-manage a limited work site within a larger site managed by Queensland Hydro or another Queensland Hydro Contractor. Manage personnel and plant associated with the work and limited work site May operate under its own work methods and provide required HSE resources and supervision, Maintain conformance and alignment with Queensland Hydro/Other Contractor overlapping HSE requirements and comply with legal requirements for a worker. 	<ul style="list-style-type: none"> Self-manage HSE for the supply of its goods and materials. 	<ul style="list-style-type: none"> Usually known as 'service provider', Self-manages all HSE for its services. Queensland Hydro workers attend site as visitors only. 	<ul style="list-style-type: none"> Not expected to operate under any of its own systems when on Queensland Hydro site and instead will conform with Queensland Hydro HSE Management Systems and comply with legal requirements for a worker. Self-manage HSE for any of any Contractor supplied equipment. 	<ul style="list-style-type: none"> Not expected to operate under any of its own systems and instead will conform with Queensland Hydro HSE Management Systems and comply with legal requirements for a worker. Self-manage HSE for any of any Contractor supplied equipment.
ROLES & RESPONSIBILITIES	Minimum required contract terms	<ul style="list-style-type: none"> Confirmation of which party has management and control of the Works Site and where required, which party is the nominated Principal Contractor; A requirement that the Contractor prepare Safety and Environmental Management Plans, in accordance with Queensland Hydro's HSE nvironmental specifications; and An indemnity in favour of Queensland Hydro for any civil liability for harm to persons or the environment arising from the Contractor's acts or omissions. 	<ul style="list-style-type: none"> A mechanism for the Contractor to review and agree to Queensland Hydro's Safety and Environment Management Plans; An indemnity in favour of Queensland Hydro for any civil liability for harm to persons or the environment arising from the Contractor's acts or omissions. 	<ul style="list-style-type: none"> A provision confirming that the Contractor is responsible for health, safety and environment management on its sites, with a corresponding indemnity in favour of Queensland Hydro for any civil liability. A requirement that the goods/ products supplied are designed, manufactured, supplied and/or imported to the applicable Australian Standard/s; A requirement that the goods/products are provided with all information required to be supplied under HSE compliance requirements including: <ol style="list-style-type: none"> information about the purposes for which the good/product is supplied i.e. instructions for use; where relevant, the results of the calculations, analysis, testing and examination conducted i.e. mill/test certificates for steel products, lifting gear, fasteners etc., and information about the conditions necessary to ensure that the good/product is without HSE risks when used and otherwise handled throughout its lifecycle for the relevant purpose i.e. operators/ maintenance manuals, SDS etc. 	<ul style="list-style-type: none"> A provision confirming that the Contractor is responsible for health, safety and environment management on its sites, with a corresponding indemnity in favour of Queensland Hydro for any civil liability Supported by Queensland Hydro standard Purchase Order Terms and Conditions 	<ul style="list-style-type: none"> A provision confirming that Queensland Hydro is responsible for health, safety and environment management on its sites, and a requirement that the Contractor and its employees follow all directions from Queensland Hydro in relation to safety and environment matters. An indemnity in favour of Queensland Hydro for any civil liability for harm to persons or the environment arising from the Contractor's acts or omissions. 	<ul style="list-style-type: none"> Supported by applicant People and Capability arrangements.

Appendix B - Queensland Hydro's Approach to Principal Contractor Engagement

The information below is to support Queensland Hydro to adopt a holistic approach to how it engages contractors and outline when it will be appropriate to appoint a contractor as a Principal Contractor.

Background

At Queensland Hydro safety is our priority. For work, health and safety matters on site, we adopt an engaged owner approach to contractor management. This means that while we have our own safety duties, we rely on our contractors as technical experts to manage safety matters, in addition to undertaking the projects they are engaged to complete. The engaged owner approach is also relevant to consider when deciding whether Queensland Hydro should appoint a contractor as a Principal Contractor.

Fast Facts

- Some packages of work will meet the definition of a **construction project** under the *Work Health and Safety Regulation 2011* (Qld) (**Regulations**).¹
- Construction projects valued over \$250,000 must have a **Principal Contractor**.
- By default, Queensland Hydro will be the principal contractor for construction projects it is commissioning, *unless* it appoints someone else as principal contractor. This appointment should **always** be done in writing.
- Only one Principal Contractor can be appointed to have management and control of a defined workplace at any given time.
- Principal Contractors have **additional** WHSE duties to other duty holders under the WHSE legislation, but this does **not** replace the WHSE duties of persons conducting a business or undertaking (**PCBUs**) (like Queensland Hydro) and workers.
- A Principal Contractor cannot be appointed to work (including construction activities) that does not meet the definition of a construction project.
- However, a contractor can still have management and control over a workplace and Queensland Hydro can rely on a contractor's technical expertise, skills and experience even if it is not a Principal Contractor.

Frequently Asked Questions

<p>This package of work does not meet the definition of a "construction project" - does Queensland Hydro automatically have management and control over the workplace?</p>	<p>No.</p> <p>Just because a construction site does not have a Principal Contractor appointed does not mean Queensland Hydro must have management and control over that workplace. Queensland Hydro's engaged owner model seeks to rely on its contractors' own technical expertise to manage risks, and it will often be appropriate for a contractor to have the management and control over a workplace, or part of a workplace while it completes its works.</p>
<p>If there is a Principal Contractor appointed, do other PCBUs' still have WHS duties?</p>	<p>Yes.</p> <p>All PCBUs, workers, and visitors to site have WHS duties under the <i>Work Health and Safety Act 2011</i> (Qld). These are not abrogated or minimised if a principal contractor is appointed. However, PCBUs and workers will need to comply with any directions from a principal contractor to ensure a safe workplace is maintained.</p>
<p>If a contractor is not appointed as a principal contractor, does it have to work under Queensland Hydro's systems and processes?</p>	<p>No.</p> <p>A number of Queensland Hydro's contractors will have detailed and technical processes in place to ensure and maintain a safe workplace. Queensland Hydro should carefully consider this before requiring any contractor to work under Queensland Hydro's own systems, and ensure an engaged owner model is reflected in the engagement.</p>
<p>Is a contractor's skills and experience relevant to considering if they should be</p>	<p>Yes.</p> <p>Deciding who should be appointed as principal contractor over a workplace involves assessing of a number of factors, but the</p>

appointed as the principal contractor of a workplace?	primary considerations should be on what entity is better placed to manage the WHS risks associated with the work, including in particular who has greater expertise, experience, and processes to do so.
Should Queensland Hydro ask a contractor whether it would like to be appointed principal contractor?	No. Any decision to appoint a contractor as principal contractor should be made by Queensland Hydro as part of its overarching strategy to contractor management and should take into consideration who is best placed to ensure a safe workplace is maintained. This will often be the contractor, and the appointment should be set out in the contract for the work package.