INTERNATIONAL UNION OF RAILWAYS

UIC Occupational Health & Safety Group Taskforce for Contractor Health & Safety

Guidelines: Improving health and safety working with contractors on the railway

Contents

Introduction

Why produce this document?

Achieving success and continuous improvement in health and safety performance during the delivery of all activities on the railway is essential. This document has been produced to assist railway entities[1] improve their health and safety performance by better management of contractors throughout the contract management lifecycle. An additional opportunity exists in the potential to introduce a more consistent approach to the health and safety expectations that the rail industry has of contractors which can only be of benefit as contractors increasingly transcend national boundaries. (See Appendix 1 for Taskforce proposal)

[1] Railway entity – refers to IM's – infrastructure managers (those that manage railway infrastructure); RU's – Railway undertakings (those that manage train – passenger and freight operations) and ECM's – entities in charge of maintenance.

Who is this document for?

This guidance is intended primarily for use by railway entities. It may also be used by contractors to the rail industry who manage sub-contractors working on and about the rail environment. The document has been written primarily from the perspective of infrastructure works as this is where the majority of the health and safety risks are posed, but can be used for all works on the railways.

What is the context?

Historically, railways did not contract out large amounts of work, but since the 1990s UIC members have increased both the volume and scope of work undertaken by contractors (including sub-contractors). The methodologies and contracting mechanisms used to manage contractors vary. The health and safety performance of the railways and their contractors also varies. Sharing good practices and learning from each other are essential if we are to continuously improve the health and safety performance of those we contract with on our railways.

Annually, numerous serious incidents[2] including fatalities have occurred, many of these involving contractors and sub-contractors. Concerns exist that the safety and quality of work undertaken by contractors may be compromised due to inadequate availability of or sharing of risk information, by activity being inappropriately controlled or monitored by both contractors and railway entities, and by some that the work undertaken by contractors is potentially inferior to work undertaken in-house. There are also examples of good practice where contracting between railway entities and contractors has successfully delivered excellent levels of health and safety performance, these provide opportunities for others to learn from.

Who will find this useful?

Anyone working in the rail industry interested in or involved in the management of contractors may find this document useful. The contents of the guidance can be used to review how railway entities manage contractors to maximise health and safety performance and to consider how they might improve their processes and systems. The good practice information provides some practical examples that organisations may be able to utilise

In addition to enabling improvements in contractor health and safety performance, it is anticipated that the guidance will assist in improving the health and safety of leaders, managers, and health and safety practitioners working in procurement, project management, and supply chain management.

[2] Incident – includes accidents and near misses. An accident is where harm is realised and a near miss is where no harm is realised, but under slightly different circumstances could have been.

Scope

This guidance is intended to be:

- A useful tool to assist companies in complying with relevant health and safety legislation
- Applicable to contractual relationships within the rail industry
    - Flexible enough to be applied to internal as well as external contractors
    - Equally applicable to sub- contractors (via main contractors)
- Based on general principles rather than focusing on specific types of contracts
- A signpost document for organisations including where to find good practices.

The guidance sets out the European legislative context followed by an overview of the contract life cycle. Each element of the life cycle is then considered in detail outlining why it is important for health and safety performance, key principles to consider, issues that may arise and how to monitor and measure each element.

Legislation

The European legislative framework sets requirements in relation to occupational health and safety and rail safety. The European Framework Directive on Safety and Health at Work sets out minimum standards for safety and health in the workplace[3]. The European Railway Safety Directive harmonises safety standards and certification across Europe[4]. In particular the requirements of the Common Safety Methods[5] are of relevance to this report. Like all European directives these must be implemented through the national legislation of Member States.

The CSM for monitoring provides a common approach for RU's, IMs and ECMs. The regulations must be applied to ensure that contractors and other parties implement risk control measures and monitor their subsequent effectiveness. The regulation also requires the self-checking of the application of safety management systems to ensure they achieve the expected outcomes, and that weaknesses are addressed. In addition, contractors must apply this process through contractual arrangements.[6]

There are a number of European Union Directives that cover procurement that rail entities must comply with; and tenders from the public sector valued above a specified financial threshold must be published in an open and transparent manner.[7]

[3] https://osha.europa.eu/en/legislation/directives/the-osh-framework-directive/the-osh-framework-directive-introduction
[4] http://www.era.europa.eu/Core-Activities/Safety/Safety-Management-System/Pages/Safety-Management-System.aspx
[5] http://www.era.europa.eu/Core-Activities/Safety/Safety-Management-System/Pages/Csm-On-Monitoring.aspx
[6] UK Guidance (RSSB) CSM Monitoring
[7] http://ec.europa.eu/growth/single-market/public-procurement/rules-implementation/index_en.htm
http://www.ojeu.eu/

Health and Safety in the Contract life cycle

To ensure legal compliance and to improve health and safety performance through the management of contractors, it is necessary to consider the whole contract management life cycle. This life cycle is broken down in different ways by organisations and businesses; but they broadly align to common themes. A model using 6 stages for contractor management is shown in the diagram below and has been used as the framework for this guidance.

Contractor 6 stage Model

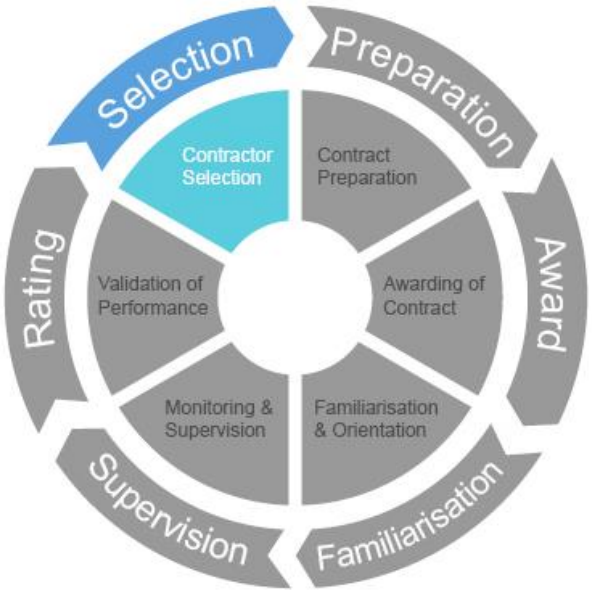
The model starts with **Stage 1 - Selection** – selection of the contractors an organisation could work with. It follows the natural life cycle of contractor engagement, working through 5 further stages: **Stage 2 - Preparation** and then **Stage 3 - award** of the contract to the successful bidder. **Stage 4 – Familiarisation** is the stage when the contractor is orientated with the physical and cultural requirements, constraints and opportunities of the work. Once work has begun the next stage is **Stage 5 - Supervision** which includes monitoring of the contractor and then the final stage, **Stage 6 - Rating** of the contractor post contract completion, which will require an evaluation of performance.

There are health and safety aspects to be considered, included, implemented, measured and monitored at each stage of the contract management lifecycle. The following 6 sections describe each of the lifecycle stages in more detail. Each stage is divided as follows:

- a description of the stage
- consideration of why it is important
- the key principles all RU's, IM's and ECM's to adopt
- good practice concepts, examples and links to where to find out more

A fundamental concept is that it is essential that throughout the procurement, engagement and delivery of work that full consideration is given to the health and safety risks. These may be existing, altered, temporary or new. Staff that are exposed to these risks need to be aware of the controls, and have the appropriate skills, knowledge and experience to manage them.

Stage 1 - Contractor Selection



This stage considers which contractors to do business with. This could take place through an open bid, or could include only those organisations that have already demonstrated they have the capabilities required by your business.

It could include:

- compiling a full list of all contractors that you would be prepared to work with
- compiling a list of contractors from the full list that are able to undertake the specific work required.
- pre-screening contractors for health and safety compatibility with
    - your organisation
    - the work to be undertaken
    - other contractors already in contract if applicable

High performing organisations have pre-screening activities in place to test and determine the capability, operating principles and increasingly the culture of the organisations they are considering procuring.

Why is contractor selection important?

This stage has a crucial role to play in ensuring the contract is set up for success. Selecting the right contractor is the key to ensuring the health and safety performance opportunity is maximised.

Key issues to consider include:

- Selecting contractors that will work well with you is key to successful delivery.
- Whether to pre-screen contractors to ensure they meet minimum standards of health and safety capability and performance before allowing them to bid for work.
- Pre-screening tests can ensure you only work with higher performing contractors: for example, if a contractor cannot demonstrate compliance with European and national health and safety legal requirements as a minimum they can be avoided[8].
- Pre-screening can allow you to set minimum standards/criteria for health and safety across the whole health and safety management system spectrum
    - You may consider setting pre-qualification requirements that extend beyond the classic health and safety elements such as:
        - Leadership, culture and behaviours
        - Health and wellbeing
- Whether pre-screening or using open bids it is important to work with contractors that can demonstrate they have the organisational capability to achieve the required minimum health and safety standards, and potentially cultural maturity. This is a key precursor to ensuring that health and safety performance improves.
- Selecting contractors that can demonstrate the capability to control the health and safety risks in the context of the railway environment. This includes the ability to control interface and third party risks.
- Selecting contractors that can or have demonstrated the capability to safely undertake the specific type of work being contracted out. Minimum levels of experience can be set and those not able to demonstrate these may be excluded.
- Ensuring that if a contractor did not previously comply with legal requirements, or has not previously worked with you, but now wants to be able to demonstrate compliance they are able to do so, as allowed by the EU Directives, should be able to do so. These contractors may need further investigation as part of the pre-screening or open bid process and can be set conditions to comply with.
- Competency testing of specific roles may be required. For example, effective supervision is key to health and safety management on site, so the contractor's plan for the provision of adequate competent supervisors should be tested in this stage.
- Requirements should also be applied to any sub-contractors

[8] EU Directive "2014/25/EU Procurement by entities operating in the water, energy, transport and postal services sector" refers to how past performance may be considered, and exclusion criteria.

Principles of approaching contractor selection

To maximise the opportunity to deliver excellent health and safety performance during the contract, there are a number of key principles for RU's, IM's and ECM's to implement, as appropriate, at this stage.

1. Having a methodology/process in place for testing potential contractors: this should form a bidder list.
2. Having a methodology/process in place for testing contractors for specific work packages.
3. Testing to demonstrate, that as a minimum, contractors have a compliant health and safety management system in place before they are on any bidder lists or selected, e.g. OHSAS 18001[9] certified or up to this standard.
4. Testing contractors to be assured they are able to work safely in the country you operate in. Specifically including understanding health and safety requirements and demonstrating the ability to be able to communicate effectively.
5. Being clear on your competency requirements. Including effective language/communication capabilities, standard training requirements and railway specific training. This will enable contractors to demonstrate these capabilities and that they understand what is required and can attain the levels required.
6. Outlining any health and safety key performance indicators that contractors will need to provide during delivery to enable contractors to demonstrate they can report on these.
7. Previous performance of contractors can be tested and considered at this stage. (See page 6).
8. If the contractor has been pre-qualified and has demonstrated they have the necessary resources, systems and processes to deliver the job, they cannot be re-measured on these same criteria during the tender phase.

[9]OHSAS18001 is expected to be replaced by ISO45001 Occupational Health and Safety Management Standard during 2017

Good Practice for contractor selection	*Practical Examples – Contractor Selection*
Use of an independent organisation (or part of your organisation) to maintain a bidder list that verifies the capability of main contractors, and potentially sub-contractors, in respect to health and safety capability and performance.	**Sweden – Travikverket** http://www.avropa.se/topplankar/In-English/ **UK – Network Rail Supplier Assurance Requirements** *http://www.risqs.org/* *http://www.rssb.co.uk/improving-industry-performance/supplier-assurance-programmes* **France – SNCF** *http://www.securite-ferroviaire.fr/delivrer-les-autorisations/operateurs-ferroviaires-autorises* **UK – General** *http://www.chas.co.uk/* *http://www.smasltd.com/*
Inclusion of key criteria required to ensure the bidder list is robust – examples include: ○ Demonstration of a health and safety management system ○ Demonstration of staff health and safety capability and training provision ○ Demonstration of communication capability: how protocols are established/tested. ○ Level of investment in training in health and safety ○ Demonstration of how sub-contractors will be selected and their performance managed	*http://www.rssb.co.uk/Library/improving-industry-performance/2013-guidance-securing-supplier-assurance.pdf*
Use of accreditation schemes to determine contractor capability.	**UK – Network Rail's Principal Contractor Licence Scheme** https://safety.networkrail.co.uk/safety/principal-contractor-licensing/
Use of accredited training centres/training providers to ensure a standard approach across organisations.	**France – SNCF** and **Netherlands** use this type of system.

Use of ratings determined during previous delivery to assist in contractor selection.	
Use of standardised competence criteria	**UK – Network Rail Induction requirements** https://www.safety.networkrail.co.uk/On-site-Solutions/Industry-Common-Induction **UK – Network Rail Sentinel Scheme** https://safety.networkrail.co.uk/safety/sentinel/ **Belgium – Infrabel** Fascicule 63
Provision of information to contractors (and sub-contractors) on the generic and any specific railway training requirements. Plus on the general approach to contractor management.	**UK Rail Industry – Transport for London, High Speed 2, Crossrail** http://content.tfl.gov.uk/supplier-handbook.pdf https://tfl.gov.uk/info-for/suppliers-and-contractors/ https://www.gov.uk/government/publications/hs2-supplier-guide http://learninglegacy.crossrail.co.uk/documents/1493/

Stage 2 - Contract Preparation

During this stage procurement teams prepare the details of the work to be undertaken. Competent health and safety support/input at this stage is important. Both general and specific health and safety information is passed onto potential bidders. This could include:

- health and safety vision, policy and standards
- specific contract health and safety terms and conditions
- clear requirements for the health and safety performance outcomes and expectations
- expected health and safety performance levels, health and safety reporting requirements, meetings, and communication requirements associated with health and safety.
- key performance indicators for health and safety
- behavioural and cultural expectations as well as the technical health and safety elements:
- lessons learned, good practices
- how poor health and safety performance will be managed.

Contractors will prepare their bid on this information and on the requirements you set. The quality of the health and safety inputs to the contract is critical so contractors can demonstrate how they meet your capability expectations.

Why is contract preparation important?

This is a critical stage as you will select the preferred bidders and set out the expectations for health and safety management. The contract manages how risk is shared between the parties. It is essential that it is clear which risks reside with which party. Crafting a contract that is binding and that effectively communicates health and safety expectations is essential to ensure the best possible contracted outcomes. The pre-screening activity from the selection stage will enable you to determine which contractors have the appropriate capability, operating principles and, where tested, culture for the work package being proposed. Relevant health and safety information needs to be prepared and sent to the list of preferred bidders.

Key issues to consider include:

- Ensuring that contracts include clear expectations of health and safety:
  - Performance levels
  - Reporting requirements: criteria and periodicity
  - Culture
  - Monitoring, review and assurance arrangements
- Ensuring that the health and safety expectations are clearly communicated to potentical contractors/bidders.
- Checking that the expectations set can deliver your desired outcomes for health and safety.
- Ensuring that any lessons learnt and good practices from other contracts are used to inform your new contract preparation.

Principles of approaching contract preparation

At this stage relevant health and safety requirements for the proposed work can be determined and included within the contract to assist contractors preparing their bid. This will enable you to monitor and measure contractors against the right measures, which will in turn, maximise the opportunity to work together to enhance health and safety improvements. Key principles for adoption where appropriate are listed below.

1. Staff preparing the contracts having (or having access to) the health and safety expertise to ensure that the health and safety requirements are fit for purpose:
   a. procurement staff having adequate knowledge: or ideally involving a health and safety professional in contract preparation.
   b. Determining how procurement staff support the organisational and project specific health and safety objectives.
   c. Making provision for health and safety performance to be rated or scored using an index - pass/fail or a percentage which can then be used to determine who is awarded the contract during contract award. If the health and safety system has been scored during pre-qualification this cannot be rescored. You can score their specific approach to safety in relation the actual work being tendered.
   d. A scoring system should be stated

2. Incorporating relevant health and safety requirements into contracts:
    a. Including generic and contract specific requirements for health and safety.
    b. Including technical, behavioural, reporting and communication requirements.
    c. Making the requirements relevant to the size, scale and complexity of the work; and 'testable' during delivery.
    d. Requirements could include:
        i. Objectives, targets and key performance indicators
        ii. Leading (also known as input or pro-active) as well as lagging (output or reactive) key performance indicators
        iii. Areas where contractors may be asked to go beyond the law e.g. health and wellbeing or fatigue
        iv. Leadership and cultural/behavioural requirements
        v. Competence and training requirements
        vi. Requesting contractors to outline any risks they may bring onto the railway through their activities
        vii. Stating the proposed levels of supervision to be allocated.
3. Setting competence requirements/standards:
    a. For railway specific, construction and general activities.
    b. Based on the risks associated with the work that is involved.
    c. To provide help and assistance via pointing contractors to e-learning, training centres
4. Identifying the key health and safety risks associated with the work and providing this and other relevant information to contractors. Information could include:
    a. Railway specific rules, regulations, standards, books of specifications etc.
    b. Generic, residual and project specific risks:
        i. Operational risks
        ii. Contract specific risks
        iii. Risks that contractors may not be aware of i.e. railway specific risks
        iv. Interface risks with the operational railway
        v. Interface risks with other work taking place (e.g. by other contractors)
        vi. Organisational procedures that have arisen from specific incidents that they may not be aware of.
5. Obliging contractors to pass information/requirements onto their sub-contractors:
    a. Being clear with the contractor on your expectations regarding sub-contractors, including how to manage risks around language (given the mobility of labour), demonstration of competence and requirements for reporting.
6. Working to base any incentives or penalties on the inputs/activities, not on the outputs/outcomes of the activities; that is working to use leading rather than lagging indicators.
7. Having clear arrangements for managing a contractor that is performing poorly in terms of health and safety outputs

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Good practice for contract preparation	*Practical examples- contract preparation*
Use of standard templates with standard health and safety contract conditions. Inclusion of requirements such as health and wellbeing/fatigue.	**UK – High Speed 2, Transport for London** http://content.tfl.gov.uk/appendix-7-contract-quensh-conditions.pdf https://www.gov.uk/government/publications/hs2-supplier-guide **Belgium – Infrabel** Fascicule 61/63
Inclusion of key performance indicators for health and safety.	**UK – Network Rail** See pdf's attached
Clear policy, statements and standards on health and safety requirements that cover both the technical and behavioural elements.	**UK – High Speed 2** https://www.gov.uk/government/publications/hs2-supplier-guide **Belgium – Infrabel** Fascicule 61/63 **Italy – Ferrovie dello Stato Italiane Group** GROUP DIRECTIVE n. 204/CEO April 6th 2016 "Health and safety at work in Ferrovie dello Stato Italiane Group. Guidelines and targets for 2016-2018 " Document attached. **Slovakia – ZSR** Slovaka Law describes requirements – Act n. 513/2009, Act n. 245/2009 **Sweden – Travikverket** http://www.trafikverket.se/en/startpage/suppliers/Procurement/How-we-procure/
Use of templates for passing health and safety risk information to contractors	**UK – Network Rail** See attached pdf – pre construction information template **Belgium – Infrabel** Fascicule 61/63
Provision of information to contractors (and sub-contractors) on the possible risk interface between activities carried out by the client and contractors already contracted and the activities to be performed by the new contractor	**Italy – Trenitalia** CO n.353.1 DRUO dated 3 dic 2014 "Trenitalia Procedure for Interface risk assessment related to occupational health and safety for works carried out by contractors".

Stage 3 - Contract Award

This is the stage in the lifecycle where you decide who will win the contract and award it to the successful contractor. The information provided by contractors in their bid preparation will be reviewed and where required a shortlist of bidders may be prepared. This stage includes activities such as:

- potentially inviting shortlisted/selected contractors to present their submission in order to make the final decision
- using these meetings to provide a clearer understanding of your expectations and test understanding
- testing shortlisted/selected contractors on specific areas such as technical competence, how sub-contractors are managed, or their cultural compatibility with your organisation.
- holding pre-award face to face meetings with the successful bidder (post the above).

When the successful contractor is selected, and the contract has been awarded holding 'start-up' meetings to further clarify requirements and expectations could take place.

Why is contract award important?

This stage is critical to the success of the project – when you award the contract to the contractor that best fits your requirements, and who has understood your expectations and can deliver against these.

Key issues to consider are:

- Carrying out effective and consistent evaluation of bids.
- Having the right level of competence to review the contractor's proposed health and safety arrangements.
- Engaging with shortlisted or open-bid contractors to ensure full understanding of expectations is achieved.
- Engaging with shortlisted contractors using face to face meetings before making a final decision.
- Being assured that contractors know about and understand your standards and have the capability to deliver.
- Determining how you will be assured that standards are applied consistently through the contractor's supply chain to sub-contractors).
- Clarifying how you will measure any behavioural, leadership and cultural elements set out in the contract.

Principles of approaching contract award

To improve the probability of contracting with the right contractor and to ensure the contractor is set up for success the following key principles are consider appropriate.

1. Using health and safety professionals or procurement staff with health and safety competencies to evaluate health and safety criteria included at preparation.
2. Training/coaching procurement teams in health and safety so they are aware that health and safety performance is a key element being used to determine contract awards.
3. Scoring health and safety criteria so this element contributes to the final contract award in the same way that price and quality do. Pre-qualification has determined that contractors have the health and safety capability, this will be considering specific measures for the work.
4. Setting the health and safety scoring as a percentage of the overall score in conjunction with the health and safety professional. The ultimate objective is to ensure that price is not the main or only contract award criteria.
5. Using the scoring system in the contract to ensure the contractor has achieved an acceptable level of health and safety performance.
6. Giving particular attention to checking that any competence requirements set in the contract can be complied with.
7. Being assured that the contractor can demonstrate they are able to manage and control the highlighted health and safety risks associated with the work.

Good practice for contract award	*Practical examples- contract award*
Robust, valid, consistent scoring mechanisms for health and safety criteria - To reflect the size/scope/scale of the project - Use of minimum criteria to ensure adequate H&S performance	**UK – Network Rail** Use a system to set, then score against HSQE criteria see attachment **Sweden - Trafikverket** Use a system to score contractors.
Responses to Health and safety criteria are used to determine the contract award	**UK – Network Rail** Network Rail assign 20% of the overall score to health and safety (as a matter of course). This can be increased, and is occasionally decreased, depending on the nature of the contract.
Procurement teams are trained in health and safety so they have an appropriate level of awareness	
Having a dedicated health and safety professional to support procurement teams.	**Ireland – Irish Rail** Health and safety managers are always used to evaluate contract returns, if they reject the submission, the contractor will not win. **Belgium – Infrabel** Use a digital system to ensure that all criteria set at contract preparation have been checked by the relevant experts.
Use of standard agendas for pre-start/kick off meetings.	**UK – Network Rail** See pdf attached.

Stage 4 - Familiarisation

At this stage, you will engage with the successful contractor to build a shared commitment. The contractor has been tested to demonstrate competence, and this stage includes enabling them to familiarise themselves more thoroughly with the work, your organisation, and the environment they will be working in. A key part of this is likely to include further knowledge and information sharing. This could include:

- clarification of on site and job specific health and safety risks
- contractor being able to ask any questions and receive clarification
- focussing on ensuring the right information has been or is being exchanged
- specific systems that need to be used for example to share information, capture health and safety data or reporting of incidents
- specific competency requirements and where/how to achieve this if necessary
- project cultures and behaviours.

Why is familiarisation important?

This stage is important as it allows for a greater level of detailed transfer of information to the contractor. Contractors may want and need to further familiarise themselves with your organisation, systems and safety and organisational culture as well as the physical environment they will be working in; they may need assistance to become fully orientated. It is important that

sufficient time is allowed to enable contractors to achieve the level of understanding they require so they can carry out the work successfully.

Key issues to consider are:

- Providing contractors with the opportunity to clarify any issues they have or fill gaps in information they require.
- Introducing the contractors to the health and safety risks associated with the work in the railway environment in a more detailed way.
- Checking contractors understand these risks so you minimise the risk of incidents during delivery.
- Ensuring it is clear how your contractors will work/engage with subcontractors.
- Being assured that sub-contractors are fully aware of the health and safety risks, and confident that information and communication flows between them, the contractor and you will be effective.
- Checking that co-ordination and co-operation arrangements are clear and understood, and that systems are in place to keep these robust during any transition stages.
- Ensuring that contractors have staff that are appropriately trained and competent and have the knowledge of the risks, controls and any specific competence requirements.
- Being assured that the contractor has the right level of supervisory capability for the work.

Principles of approaching familiarisation

1. Being assured that contractors have received and understood the requirements set in the contract -
    a. Do contractors have access to the right information - risk information, rules, standards, competence requirements, reporting requirements, communication requirements?
    b. Do contractors understand the specific health and safety hazards and risks associated with the work?
    c. Can contractors access your training/e-learning?
    d. Have all contractor staff understood the health and safety risks involved?
    e. Have staff got the right competencies in place including the right levels of supervision?
2. Being assured that sub-contractors have received and understood all requirements relevant to them.
3. Having an understood change management process in place.
4. Being assured that any specific risks are being controlled appropriately.
5. Establishing a clear process to enable effective communication, co-operation and co-ordination between you, contractors, sub-contractors and relevant third parties is achieved.

Good practice for familiarisation	*Practical examples- familiarisation*
Use of electronic 'shared' or shared systems to provide and share information	**Other organisations** http://ftp2.bentley.com/dist/collateral/docs/white_papers/wp_eb-insight-power_asset%20life-info-manage.pdf **Belgium - Infrabel** http://www.infrabel.be/en/professionals/code-conduct **Sweden – Trafikverket** Information on line
Have a go/no/go start up meeting	**UK – Network Rail** Thameslink Green button checklist – see attached pdf. **Sweden – Trafikverket** Sweden – go/no go spreadsheet…put as an appendix..
Face to face meetings between contractor and rail entity and use of standard agendas and format	**Sweden – Trafikverket** Use a set agenda
Robust change control process	These vary and are in place but not available on line.
Share information and agreed procedure for health and safety interface risk management between activities carried out by the client and contractors already contracted and the activities to be performed by the new contractor (after the cooperation and coordination meetings)	**Italy – Trenitalia** CO n.353.1 DRUO dated 3 dic 2014 "Trenitalia Procedure for Interface risk assessment related to occupational health and safety for works carried out by contractors".

Stage 5 - Supervision

During this stage you are supervising the contract. This includes monitoring and, to some extent, managing the contractor. You will be looking for delivery of health and safety performance and information in line with agreed expectations. You will also be looking for continuous health and safety improvement. Measuring contractors periodically against the agreed contract requirements and health and safety key performance indicators will take place. Meetings are held between your company and contractor where information and assurance will be given and received. Specifically how sub-contractors are being managed will require the flow of assurance. Any performance issues will need to be resolved.

Why is supervision important?

During this phase you will be checking that the right quality of health and safety performance is being delivered for the work being undertaken. This will include being assured that those undertaking the work are adequately supervised. Determining how the contractor is working with your organization is important to enable work to be done to achieve the desired behaviours – from the contractor, sub-contractors and your organization. Monitoring performance will also assist, by providing a feedback loop, in improving the health and safety approach and set criteria during future contract preparation.

Issues to consider:

- Checking that supervision levels are adequate and appropriate given the risk associated with the work being undertaken.
- Checking you are monitoring contractors to ensure that opportunities for improvements are being made.
- Checking that monitoring considers planning and construction activities.
- Ensuring you are monitoring all elements of the contract that you set out during contract preparation for health and safety.
- Monitoring that late changes are managed without compromising health and safety performance.
- Ensuring that any take-overs within contractors or key staff changes are properly managed and do not negatively impact on health and safety performance.
- Ensuring that communication between contractors and sub-contractors is taking place to co-ordinate risk management, share existing and emerging risk information and work activities is critical.
- Ensuring that information is being provided for the key performance indicators and other requirements so that you can monitor contractors, can demonstrate continuous improvement, and can be assured of performance.

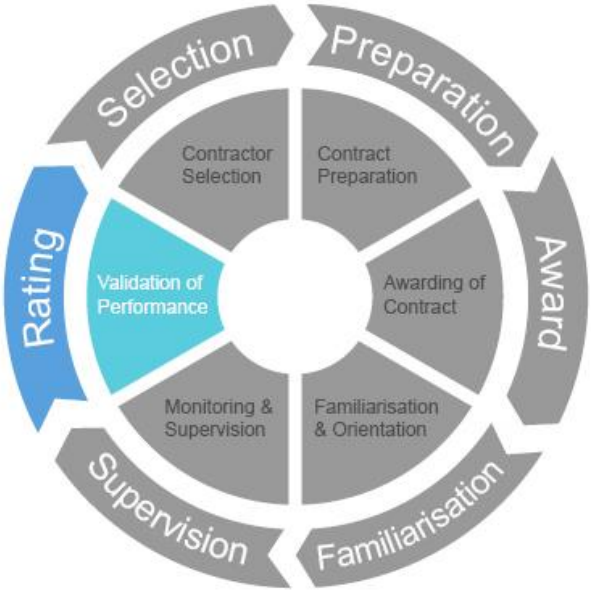
Principles of approaching supervision

1. Monitoring can be undertaken at 3 key levels: on-site, against your health and safety standards, and against the contract criteria.
2. Adopting a risk based approach to seeking assurance that health and safety performance is acceptable.
3. Conducting audits, supervision and monitoring of contractors even when performance is good. (Using a risk based approach – see above).
4. Reporting and communicating information on health and safety criteria such as key performance indicators at agreed meetings, through agreed systems and at the right times.
5. Penalties, incentives and other mechanisms agreed in contract preparation can be invoked where supervision and monitoring activity highlights health and safety performance levels are below those expected/required or have exceeded requirements.
6. Being clear on the reason for poor health and safety performance – interfaces between your organisation and the contractor may be problematic.
7. Holding contract management/monitoring meetings which evaluate performance.
    a. planned in advance and held as required if issues arise
    b. use of balanced scorecards could be considered
8. Demonstration by contractors as to how they supervise sub-contractors.
9. Demonstration by contractors that they have the right level of competent supervisors in place.
10. Communication is key – establishing effective and efficient processes that are understood and complied with is key to ensuring information flows work and that monitoring is a value add activity and not a burden.
11. CSM for monitoring is mandatory and must be applied as required.

Good practice for supervision	*Practical examples- supervision*
System in place for capturing key performance information – this can be used to compare contractors working in different areas	**UK – Network Rail** NR's KPI Database https://safety.networkrail.co.uk/tools-resources/infrastructure-projects-automated-kpi-tool/ https://nr-hse-kpi-reporting.co.uk/
System in place for capturing incidents	**UK – Network Rail and RSSB** NR's Close Call database https://safety.networkrail.co.uk/safety/close-call/ NR's iTracker **UK Rail Industry –** Safety Management Information (SMIS) system http://www.rssb.co.uk/risk-analysis-and-safety-reporting/reporting-systems/smis
Regular performance meetings based on risk with standardised items/agendas	**Belgium - Infrabel**
Framework for assurance of contractor performance	http://content.tfl.gov.uk/supplier-handbook.pdf (See Section 7)
Use of just/fair culture models	**UK – Network Rail** https://safety.networkrail.co.uk/wp-content/uploads/2016/03/A-guide-to-using-the-fair-culture-flowchart.pdf
Use of licences/badges/cards to demonstrate competence	**UK – Network Rail** NR's Sentinel Card https://safety.networkrail.co.uk/safety/sentinel/ **Infrabel** Fascicule 63
Use of standard training elements to demonstrate competence	**Belgium – Infrabel** http://veiligheid.elearning.infrabel.be/login/index.php This provides access to all to gain the learning they require. **UK – Network Rail** NR's Industry Common Induction scheme https://www.safety.networkrail.co.uk/On-site-Solutions/Industry-Common-Induction

Use of an independent organisation to monitor contractors	**UK –Rail Industry** *RISQS undertake independent audit of UK rail contractors* *http://www.risqs.org/*
Use of predict to prevent/FMEA (failure mode and effects analysis) with/between contractors.	**UK –Rail Industry** *https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/359018/B21_Lean_Health___Safety_November_2013.pdf* (see page 14)
Use of balanced scorecards to capture data – using leading (input) and lagging (output) indicators	***FR – article on theory*** *https://halshs.archives-ouvertes.fr/hal-00660460/document* ***NR** – see attachment*
CSM for monitoring principles must be applied	**UK –RSSB** *http://www.rssb.co.uk/Library/improving-industry-performance/2013-leaflet-CSM-monitoring.pdf*

Stage 6 - Rating



This last stage assesses the overall health and safety performance of the contractor upon contract completion. This will be an amalgamation of the periodic information captured in stage 5 above as well as a final review of performance. This will provide information that can be used to improve how your organisation carries out future contractor management through each of the 6 stages.

Why is rating important?

Being able to determine how well a contractor has performed against the requirements set in the contract, which includes the legislative requirements, is key. Whilst supervision and monitoring is an ongoing activity, forming an opinion about the overall performance of the contract will enable a view both of the contractor and of the suitability of the requirements set out in the contract.

Issues to consider:

- Using rating will encourage contractors to remain motivated to provide continuously improving health and safety performance if the relationship between you and the contractor is good.
- Rating contractors could lead to unintended consequences, for example reporting of incidents being hidden to keep the rating higher; getting the culture right is key particularly to reducing the chance of this happening
- Contractors may wish to innovate to improve performance, and you will need to be receptive to enable this. Innovation can improve your contractor and your organization as good practices are shared.
- Consideration to raising the standards expected by contractors can be made depending on levels achieved in each contract – this will lead to continuous improvement.

- Ensuring you link the contract outputs with the inputs you set will determine where and how you might improve the inputs/requirements at preparation stage to encourage improved performance.
- Using the information from monitoring to rate contractors can feedback into the adequacy of the requirements set in the contract, which can then be improved.
- Rating your own structure of intervention if performance has been poor may lead to an improved structure.
- Rating how effective any incentives have been and how these have worked may lead to improvements in incentives.

Principles of approaching rating

1. The contractor should be rated/evaluated periodically and at the end of the contract.
2. Performance levels gleaned from indicators/criteria should be used in future procurement evaluations of contractors.
3. Where of appropriate complexity and size, self-evaluation and audit of contractor should be required, and results available for others to review and use.
4. Proactively and regularly evaluating contractors to determine performance.
5. Having a structure of intervention in place to control poor health and safety performance
6. Demonstration by contractors that they are rating sub-contractors and incorporating this information.

Good practice for rating	*Practical examples- rating*
Rating system in place to measure contractors health and safety performance which links to contract requirements.	**UK – Crossrail** http://learninglegacy.crossrail.co.uk/documents/performance-assurance-overview/ Crossrail have a Health and Safety Performance index , this will be available on this site later in 2016. http://learninglegacy.crossrail.co.uk/about-learning-legacy/
A mechanism in place to manage poor performance – focussing on working together to improve not blame/shame	**UK – Network Rail** https://safety.networkrail.co.uk/safety/principal-contractor-licensing/ Suppliers not complying with requirements are required to produce a safety improvement plan which is monitored by NR.

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Health &Safety Excellence in Contractor management

We have the opportunity for setting ourselves up for success in health and safety performance by improving how we engage with contractors. Achieving excellent health and safety performance is a challenge for the rail industry. Ensuring the safety of the staff, passengers and public that work on, use and interface with our railways is paramount.

This can be achieved by:

- improving how we select the contractors that we work with (stage 1,)
- preparing contracts with clear and robust requirements for health and safety, including considering how to incentivise good performance and manage poor performance (stage 2)
- ensuring we only engage with those contractors that can deliver our requirements (stage 3) and work with time to ensure they are fully aware of the railway environment, the health and safety risks and requirements (stage 4) and
- supervising, monitoring and measuring the health and safety performance of contractors (stages 5 and 6)

Leadership and culture

Delivering these improvements requires the right organisational cultures:

- from the rail industry organisations engaging with contractors and
- contractors engaging with the rail industry.

Leadership is therefore critical to success.

Robust management of contractors requires process, procedures and standards. For these to be effective requires competent staff both within the rail entities and contractors. For these to deliver improving health and safety performance the appropriate underlying and organisational culture and behaviours have to be right. This will enable the right levels or co-operation, co-ordination and collaboration to be achieved.

Leaders enable the ability of an organisation to increase in cultural maturity. Measuring culture and having plans in place to improve are considered to result in improved likelihood of success of any changes to managing health and safety through processes and procedures.

There are various mechanisms available to measure organisational cultures and models to show the progression towards a mature organisation (see Appendix 2 for an example).

The cultural maturity of an organisation will impact on each of the 6 lifecycle stages. For example how engagement with contractors is carried out, how the contract is applied, what the attitudes and behaviours of staff are within and between organisations at all stages and how poor performance is managed will all result in consequences that have the opportunity to improve health and safety.

Conclusion

All rail entities that engage contractors to assist them in undertaking maintenance, renewals or enhancements have a contract management lifecycle. These vary, and can be complex, but all fit into the 6 stage model in this guidance document.

There are opportunities at each stage of the lifecycle to improve the likelihood of continuous improvement in health and safety performance. Opportunities exist for both the rail entities and contractors.

Leadership and culture

Although not explicitly drawn out in each section, the leadership and cultural maturity of organisations contractually engaged with each other is a critical aspect to both the contracts success and to the health and safety performance levels achieved.

Many rail entities and contractors model and measure their cultural maturity and have improvement plans in place. This is a key area for rail entities to consider (see Appendix 2)

Monitoring and Measuring

Measurement and monitoring should take place at each stage of the contract life-cycle. There should be organisational assurance frameworks to evaluate the effectiveness of the procurement processes at each stage as well as the contractors performance. This guidance suggests some principles for monitoring and measuring contractors, but has not considered wider assurance activities. It is important that all contractors have their own monitoring plans in place for their own health and safety performance as well as for their sub-contractors. These can then be monitored by the rail entities.

Use of key performance indicators is an important element of the contract lifecycle that can increase the likelihood of continuous improvement in health and safety performance. Some examples have been provided, and a balance of leading/input/active and lagging/output/reactive indicators is recommended. In order to measure contractors, any indicators, or requirements will need to be set out in the contract during contract preparation.

Rating

Monitoring and measuring allows contractors to be rated during and at the end of the contract. It will also highlight performance issues, and where these are above or below expected levels, action should be taken. This is a key principle, but is an area which is not very mature and further work would be required to identify good practices. Where performance is above set levels, incentives could be considered. Where performance is below set levels, action to redress should be taken. Action could include rail entities changing requirements in future contracts; sharing good practice, or may require some form of action to be taken regarding contractors such as implementation of an improvement plan. This area is still being developed by rail entities and is not mature enough to draw out good practice examples. A simple example of how rating through the six stages is shown in Appendix 3.

Key Principles

A number of principles are suggested at each stage. It is not possible, nor would it be appropriate, to mandate these, but they are considered to be important if not essential elements to ensuring continuous improvement in health and safety performance. Some of these principles are stretching and none of the contributing organisations currently have all of them in place.

Good Practice

This document is intended as a guide, significantly more good practice exists than it has been possible to reference and share here. Those requiring further information are urged to contact the contributing organisations/individuals directly.

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Contributors This guide/document was prepared by a taskforce working under the supervision of the UIC Safety Platform's Occupational Health and Safety Group (OHSG). The task force brought together (at various times) health and safety experts, managers and directors from various European countries (Belgium (Infrabel), France (SNCF), UK (Govia, RSSB, Network Rail), Italy (TrenItalia), Germany (DB), Sweden (Trafikverket); Finland (Likennevirasto), Slovakia (ZSR) representing both infrastructure managers and railway undertakings.

Gerard Bancel - SNCF FR; Colin Clifton – Govia GB; Roan Willmore – Network Rail GB; Ian Moreton – RSSB GB; Maria Hdeqvist – Trafikverket SE; Riccardo Trillini – Trenitalia IT; Inge Laureweys – Infrabel BE; Meryem Belhaj – UIC; Risto Lappalainen, Liikennevirasto FI; Peter Gerhardt – UIC, Jan Vittek/Josef Kovac – ZSR Slovakia.

Appendices

Appendix 1 – Task Force Proposal

A proposal (see below) was taken to the Safety Platform Steering Group (SPSG) on 6/7 November 2015 by OHSG by Network Rails representative, Allan Spence, on the subject of safe contractor management. See proposal below. The SPSG agreed the proposal, and that OHSG's Network Rail representative would sponsor a Task Force on Contractor safety. OHSG set up the taskforce in March 2015 comprising the necessary expertise to undertake the research and provide the input required.

Safety Platform
Task Force Proposal

Task Force Subject:	Safe contractor management
Proposed by:	
Company:	Network Rail
Name/applicant:	Allan Spence
e-mail contact:	allan.spence@networkrail.co.uk

Initial situation/motivation

Since the 1990s UIC members have increased both the volume and scope of work undertaken by contractors (including sub-contractors). A number of serious accidents have resulted from the activities of contractors and there have also been contractor fatalities. There are continuing concerns on the part of several UIC members that the safety and quality of work undertaken by contractors is inferior to that of work undertaken in-house. However there are also examples of good practice where contractors work closely with IMs and/or RUs to improve levels of safety

Study description:

To identify and analyse the most successful contracting arrangements, use of aligned incentive, appropriate performance indicators (KPIs) and effective assurance frameworks to enable best practice and high levels of safety.

Required experts:

- Occupational safety
- Operational risk management
- Procurement and purchasing
- Human factors
- Performance monitoring and safety assurance

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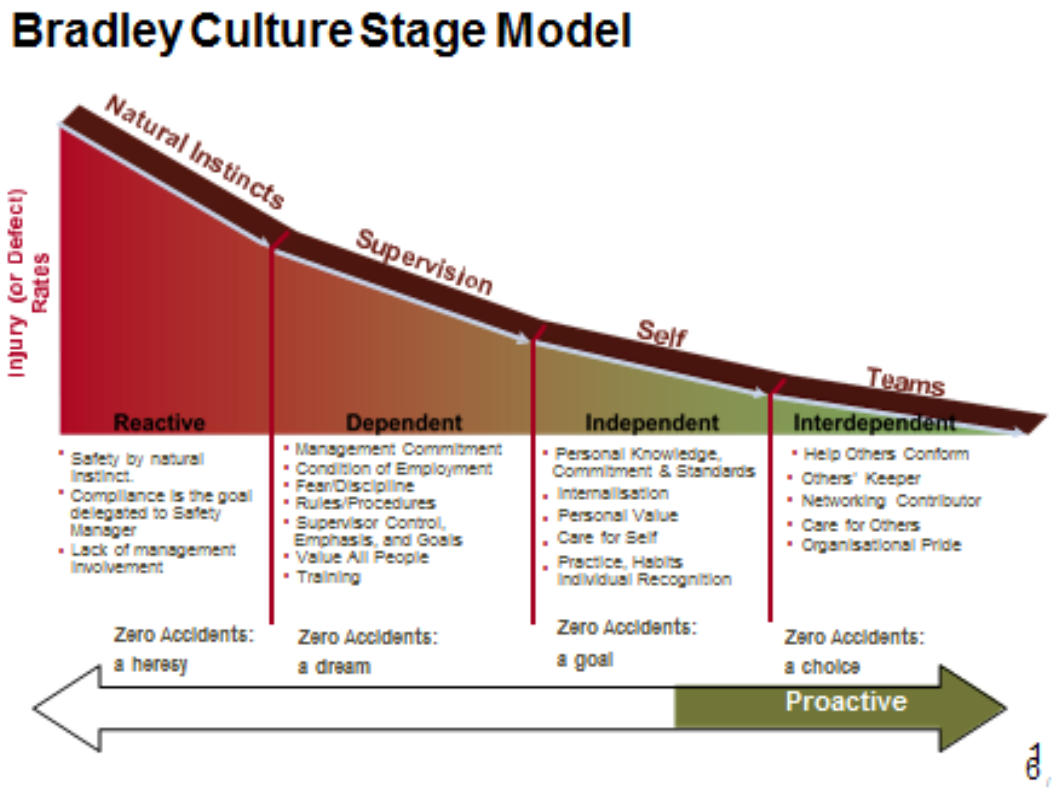
Expected outcome/ study aim/deliverables:

A guide to share best practice across UIC members. This will include specific examples of arrangements implemented to address contractual, social and behavioural elements.

Start:	Jan 2015	Duration:	18 months	End:	June 2016

Expected costs: (Safety Platform budget)	€30,000, assuming task force members contribute at their own organisation's cost
Place/Date/Signature	Bologna, 8/10/14 .....

Appendix 2 Cultural Maturity Model



Level 4 – World-class performance - Interdependant

Organisation is achieving self-sustainable excellence in safety. Safety goals and objectives are a prominent part of the business plan. All standards are aligned with and support the goals, objectives and plans. Most employees feel responsible for their co- workers safety and act accordingly. Employees and work plans are developing and executing audit protocols.

Level 3 – Excellence - Independant

Fundamentals are in place, working well. Organisation needs help to further implement systems and improve and sustain good performance. Line management is involved in planning and conducting safety meetings. Audit information is used proactively to upgrade policy, procedures and plan. Feedback to employees is always provided promptly.

Level 2 – Skills - Dependant

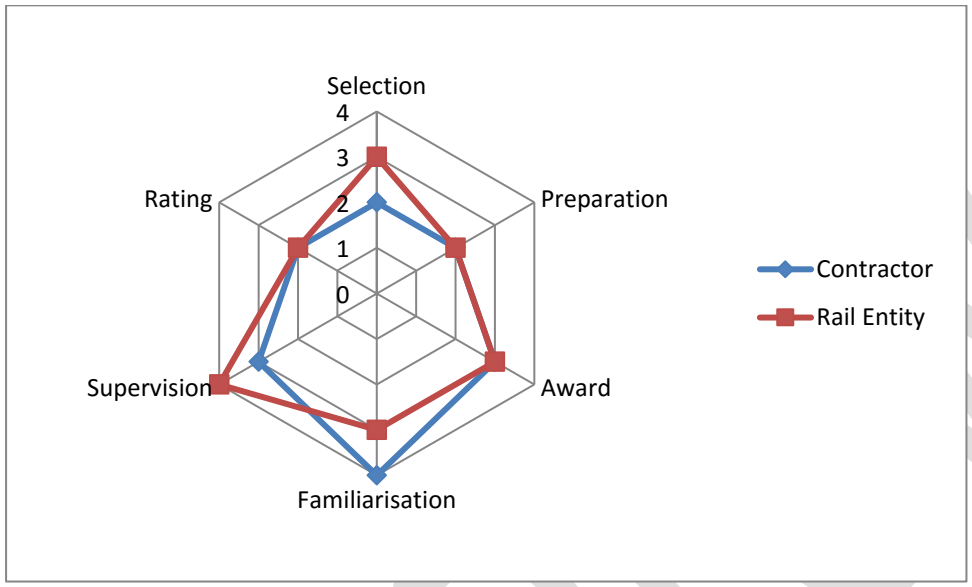
Organisation is lacking core skills to fully implement the safety management system. It needs help to develop the skills. Line management is involved in safety programmes. Management leads incident investigations and vigorously addresses employee concerns. Compliance with safety systems is generally good, and management understand its role in improving safety performance. Line management delegates safety to Safety professionals.

Level 1 – Awareness - Reactive

Fundamentals are usually in place for managing safety, but may not meet minimum levels of performance. The organisation is lacking in awareness of gaps and problems. It needs help to identify problems, gaps, improve fundamental processes. Trailing indicators are the primary metric and audits tend to focus on unsafe conditions. Basic operator training is in place focussing on job safety practices.

Appendix 3 Rating Model

The below spider diagram demonstrates a very simple methodology for companies to measure where they are in terms of contractor health and safety management, and where the contractor they are measuring was rated. This can be used to inform where improvements can be made.



The table below is not an example being used by any organisation, but provides a simple concept of how rating could be applied at each stage of the contract. Ideally a combination of leading/lagging;input/output;proactive/reactive questions and information should be used to populate such a table.

Contractor Selection	Score 1 – 5		Score 1 - 5
Rail Entity Performance		**Contractor performance**	
Did we have the right quality on our selection list?	x	Was the contractor engaged at this stage?	x
Did we effectively communicate our health and safety indicators/expectations?	Y	Did the contractor supply the right information at the right time?	Y
Total	*(x+y)/2*		*(x+y)/2*
Contract Preparation			
Rail Entity Performance		**Contractor performance**	
Was the quality of our information good with the relevant H&S criteria?	x	Were contractors engaged with any discussions held with them?	x
Did we clearly communicate our health and safety expectations to contractors?	Y	Were any clarification questions from contractors indicative of full understanding of our requirements?	Y
Total	*(x+y)/2*		*(x+y)/2*
Contractor Award	Score 1 – 5		Score 1 - 5
Rail Entity Performance		**Contractor performance**	
Did we use staff with a relevant knowledge of health and safety to review tender returns?	x	Were the responses to the tender acceptable and did they give us the information we required?	x
Total	*X*		*x*
Familiarisation			
Rail Entity Performance		**Contractor performance**	
Did we respond in an appropriate timescale to information requests from the contractor?	x	Did the contractors make use of all the opportunities we gave them to become familiar with the site?	x
Did we check that the contractor had all the information they required?	Y	How did the contractor respond to our communication protocols?	Y
	(x+y)/2		*(x+y)/2*

Total			
Supervision	Score 1 – 5		Score 1 - 5
Rail Entity Performance		**Contractor performance**	
Did we undertake all our proposed monitoring activities and hold all our performance meetings?	x	Did they provide all the information for health and safety reporting in a timely manner?	x
Did we step in or incentivise appropriately when performance was good/poor, and did we do it in the right way? (Culture)	x	Did the contractor have the right levels of supervision for themselves and their subcontractors?	y
Total	*(x+y)/2*		*(x+y)/2*
Rating			
Rail Entity Performance		**Contractor performance**	
Were we receptive to innovative ideas from the contractor to improve performance?	x	Was the contractor able to adapt to our working environment and suggest ideas for improvement?	x
Did we rate the contractor regularly and feedback to them on their performance?	Y	Did the contractor respond appropriately to where we rated them? (Culture)	Y
	(x+y)/2		*(x+y)/2*
Total			

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