

PROCEDURES ON PROCESSING SAFETY AUDIT

Performance Monitoring based on Audit Scores under HASAS / HALENSAS

1. Failure to meet Critical Pass in any one of the key elements of Part A or high-risk subsections of Part B on contract basis, or attaining a verified score of less than 70% in either Part A or Part B will trigger issue of alert, warning or review of the concerned contractor's safety performance as appropriate
Note 1 .

Selection of Accredited Safety Auditors (ASA)

For Building Contract or Engineering Contract

2. The **Contract Manager** (CM) shall inform OSHC details of the contract e.g. contract title, main contractor's name and contract period etc. at the date of the commencement and anticipated completion of the contract using a standard letter to facilitate subsequent actions by OSHC and main contractor (MC) (**DCMP-F712**).
3. **OSHC** shall check the workload, conflict of interest and availability of ASAs before sending the list of ASAs according to the Random Selection Mechanism as stipulated in paragraphs 6 - 21 to **Safety and Health (S&H) Unit** within three weeks upon receipt of project details.
4. **S&H Unit** shall, using a random selection computing programme, nominate an ASA and inform OSHC the result by email with one week upon receipt of the information from OSHC (**DCMP-F783**).
5. **OSHC** will forward the name of the selected ASA to the Main Contractor (MC) who may raise any objection within one week upon receipt of the information. If there is no objection, **OSHC** will proceed with the appointment. If there is objection with justifiable reason, OSHC will re-send a list of ASA to S&H Unit to repeat the selection process until an ASA is selected and appointed.

Random Selection Mechanism

6. HA contracts are categorized into Project Table A and Table B:

Table A :

- i. building contracts, district term contracts, lift maintenance contracts, and
- ii. other types of contracts such as foundation contracts, civil

Note 1 Refer to the Section DCSS-204 on the regulatory measures on account of unsatisfactory site safety performance in Capital Works New Works Contracts.

PROCEDURES ON PROCESSING SAFETY AUDIT

engineering contracts and ground investigation term contracts with contract period of more than 2 years.

Table B :

- i. demolition contracts, redecoration contracts, lift addition contracts, lift modernization contracts, lift and / or escalator installation nominated subcontracts (in case of reselection of ASA); and
 - ii. other types of contracts such as foundation contracts, civil engineering contracts and ground investigation term contracts with contract periods of not more than 2 years.
7. The ASAs in the list maintained by OSHC is categorized into Grade A to D depending on their performance in the immediate past 4 quarters. HA would feedback to OSHC on the ASAs' auditing performance quarterly.

ASA Performance Grading	ASA Performance Score
Grade A	$\geq 90\%$
Grade B	$\geq 80\%$ and $< 90\%$
Grade C	$\geq 70\%$ and $< 80\%$
Grade D	Less than 70%

8. When a new contract is included in the Project Table A, **HA** will conduct random selection of an ASA from the list of ASAs using computer programme after **OSHC** finished checking on (a) workload for HA's works contract, (b) any conflict of interest, (c) availability of ASAs, and (d) whether they have been selected and appointed for a contract in the Project Table A in the current selection cycle.
- The ASA who has been selected and appointed as an auditor of a contract in the Project Table A in the current selection cycle will be excluded from random selection for all other new contracts in the Project Table A in the same selection cycle.
 - An ASA who is selected and appointed as an auditor of a contract in the Project Table B can still be included in the list of ASAs for selection of an auditor for a new contract in the Project Table A.
 - When all the interested ASAs have been selected and appointed for a contract in the Project Table A in a current selection cycle, then the list of ASAs will be reset for selection in the next selection cycle.
 - A confirmation email will be issued to those ASAs not being selected and appointed in the current selection cycle before starting a new selection cycle.
9. When a new contract is included in the Project Table B, **HA** will conduct

PROCEDURES ON PROCESSING SAFETY AUDIT

random selection of an ASA from the list of ASAs using computer programme after **OSHC** finished checking on (a) workload for HA's works contract, (b) conflict of interest, (c) availability of ASAs, and (d) whether they have been selected and appointed for a contract in the Project Table B in the current selection cycle.

- The ASA who has been selected and appointed as an auditor of a contract in the Project Table B in the current selection cycle will be excluded from random selection for all other new contracts in the Project Table B in the same selection cycle.
 - An ASA who is selected and appointed as an auditor of a contract included in the Project Table A can still be included in the list of ASAs for selection of an auditor for a new contract in the Project Table B.
 - When all the interested ASAs have been selected and appointed for a contract in the Project Table B in the current selection cycle, then the list of ASAs will be reset for selection in the next selection cycle.
 - A confirmation email will be issued to those ASAs not being selected and appointed in the current selection cycle before starting a new selection cycle.
10. If a new ASA joins the list of ASAs in a selection cycle, he/she will be included in the current selection cycle for random selection after checking on the workload, conflict of interest and availability.
11. The maximum number of HA contracts to be handled by each ASA are 5 nos., 4 nos. and 3 nos. for ASAs with Grade A, B and C performance gradings respectively. The allocation ceiling of HA contracts to be handled by ASAs with different performance gradings shall be as follows:

Latest Performance Grading	Maximum number of HA works contracts	
	Project Table A	Project Table B
Grade A	3	2
Grade B	2	2
Grade C	1	2

The existing total number of HA works contracts handled by an ASA will be counted as workload. An ASA with total existing workload reaching or over the ceiling will not be included in random selection.

12. The balloting chance will take into account the overall "latest" performance of ASA based on his or her performance in all contracts in hand for the past four quarters, i.e. on a rolling basis.
13. After the assessment, the performance grading would affect the balloting "chance" (or number of ballot ball(s)) for each ASA in the random selection exercise in the following quarter (The number of balloting chances would be 3, 2 and 1 for ASA with Grade A, B and C performance respectively).

PROCEDURES ON PROCESSING SAFETY AUDIT

14. The balloting chance is reduced by 1 for any ASA who has 3 or more audit projects (Table A or B projects) in hand.
15. For ASAs without contract in hand, their latest performance will apply until they get a new contract in which their performance will be assessed again.
16. A new ASA is given a Grade B “performance” for the purpose of the random selection exercise.
17. An ASA who is given a grading of “marginally acceptable” in the quality of two audit reports in any contract(s) or a grading of ‘unacceptable’ in the quality of an audit report in any contract being undertaken by the ASA in the past 4 quarters on a rolling basis will be deprived of being included in random selection in (a) the current selection cycle if he / she has not been appointed under any contract in that selection cycle, or (b) the subsequent selection cycle in case he / she has been appointed under a contract in that selection cycle. For the avoidance of doubt, those audit report(s) with “marginally acceptable / unacceptable” grading already counted for the abovementioned deprivation action in the past 4 quarters on a rolling basis will not be counted again in the subsequent quarters to avoid double penalty. The relationship of quality of audit report and the deprivation of being selected for audit is as follows:

	Grading in Audit Report attained by an ASA in the past 4 quarters (on rolling basis). [Report with “marginally acceptable / unacceptable” will not be counted more than once to avoid double penalty]	The ASA will be deprived of being included in a selection cycle of the following Project Table
(i)	Either “marginally acceptable” in two audit reports in any contract(s) or “unacceptable” in an audit report in any contract in Table A.	Table A
(ii)	Either “marginally acceptable” in two audit reports in any contract(s) or “unacceptable” in an audit report in any contract in Table B.	Table B
(iii)	“marginally acceptable” in an audit report of a contract in Table A and a contract in Table B.	Table A

18. For an ASA who is given a grading of ‘marginally acceptable’/ ‘unacceptable’ in the quality of audit reports in three consecutive audits for a particular contract or given a grading of ‘unacceptable’ in the quality of audit reports in two consecutive audits for a particular contract, the performance of the subject ASA for the particular contract will be regarded as repetitively poor and the subject ASA will be replaced. The re-appointment of ASA will be conducted through a random selection exercise

PROCEDURES ON PROCESSING SAFETY AUDIT

and the subject ASA will not be included in the ASA invitation list for that particular contract.

19. Unless otherwise specified, ASAs whose performance are rated at Grade D will be suspended from participating in further audit of his / her contract and any audit selection cycle for 1 year. If the ASA concerned has other ongoing contract(s) in hand, re-appointment of ASA will be conducted which would entail a random selection exercise. Yet, if the ASA concerned has already started audit preparation work for a particular contract and the audit plan has been approved in that quarter, he or she would be allowed to complete the relevant work for that quarter. After suspension and before uplifting of performance rating to Grade C, the ASA need to re-apply to OSHC and pass the interview assessment conducted by the office of Hong Kong Safety and Health Certification Scheme.
20. The above mechanism helps to avoid the chance of ASAs not being selected despite repeated participation in selection and can help to split the long audit and short audit consultancy services for more even distribution of workload and more direct involvement of all ASAs in the auditing system. The random selection of an ASA from the list of ASAs using computer programme may be witnessed by OSHC or contractors but all background information of workload and performance rating of the ASAs will be kept confidential and not be disclosed to the contractors. The random selection procedure by ***S&H Unit*** comprises-
 - Preparation of an excel table of balloting chances of ASAs by a technical staff of ***S&H Unit*** based on the input of OSHC;
 - Checking of the excel table by a professional of ***S&H Unit***;
 - Counterchecking of the excel table and executing the selection button in the excel table by the senior professional of ***S&H Unit*** in the witness of the professional and the technical staff of ***S&H Unit***;
 - Signing the print out of the excel table by the senior professional, professional and the technical staff of ***S&H Unit*** for issue to OSHC and filing purpose.
21. HA will feedback to OSHC on the ASAs' performance (**DCMP-F7126**).

For Building Services Nominated Sub-contracts/ Building Services Specialist Sub-contracts

22. The ***Project Building Services Engineer*** (PBSE)^{Note 2} shall inform OSHC of the names of the Nominated Building Services Subcontractors (NSC)/ **Building Services Specialist Subcontractors (BSSSC)** similar to that of CM

^{Note 2} For all correspondence with the MC, NSC/ **BSSSC** and OSHC, PBSE shall act on behalf of the CM and copy such correspondence to CM for information.

PROCEDURES ON PROCESSING SAFETY AUDIT

using the standard letter (DCMP-F712) once the tenders are awarded. **OSHC** will then inform the appointed ASA of the NSC/ **BSSSC** awarded and the ASA shall declare any conflict of interest before carrying out any safety audit on NSC/ **BSSSC**. Re-selection of ASA will be necessary if there is a conflict of interest. **OSHC** will also forward the name of the appointed ASA to the NSC/ **BSSSC** with copy to the main contractor (**MC**) and the NSC/ **BSSSC** may raise any objection to the **MC** within one week upon receipt of the information. If there is no objection, the appointed **ASA** will proceed with the remaining audits. If the **MC** supports the NSC/ **BSSSC** and raises objection within one week upon receipt of the information from NSC/ **BSSSC**, and the objection is found to be justifiable, then OSHC will re-send a list of ASAs to **S&H Unit** to repeat the selection process until an ASA is selected and appointed, and the originally appointed ASA will be terminated.

23. Lift and escalator audit shall normally be conducted by the same Accredited Safety Auditor (ASA) if there is no conflict of interest but on different date(s) to suit the site progress of lift and escalator installation work. Regarding objection related to NSC/ **BSSSC** except for lift and escalator installation, the newly re-selected ASA will be appointed for the **MC** and all NSCs/ **BSSSCs**. In case of objection related to NSC/ **BSSSC** for lift and escalator installation, the newly re-selected ASA will only be appointed for the audit of lift and escalator installation.
24. **OSHC** will forward the name of the selected ASA to the **MC** who may raise any objection within one week upon receipt of the information. ASA will be required in the appointment letter to undertake to inform OSHC immediately of any conflict of interest arising once he or she is informed of NSC/ **BSSSC**. If there is no objection, **OSHC** will proceed with the appointment. If there is objection with justifiable reason, **OSHC** will re-send a list of ASA to **S&H Unit** to repeat the selection process until an ASA is selected and appointed.

Vetting of Safety Plan

25. **MC** and NSC/ **BSSSC** for lift and escalator installation may refer to the generic (non-exhaustive) checklists for high risk activities for devising their own custom made checklists which safety control measures or step-by-step safe operation procedures have to be submitted along with site demonstrations for safety audits.
26. **MC** shall submit a draft Safety Plan within 14 days from the date of letter of acceptance in accordance with clause 5.11(5) of the General Conditions of

PROCEDURES ON PROCESSING SAFETY AUDIT

Contract^{Note 3}/ SCC 16 of Special Conditions of Contract^{Note 4}. The **MC** shall then submit the Safety Plan, after incorporating comments, within 35 days from the date of letter of acceptance to **CM** for endorsement.

27. **NSC/ BSSSC** shall, within 14 days from the date of letter of acceptance of the sub-contract in accordance with clause 4.7(2) of the General Conditions of Nominated Sub-contract^{Note 5}/ NS12 of Special Conditions of Subcontract^{Note 6}, submit a "safety plan in respect of Sub-contract Works" to the **MC** for agreement and incorporation to MC's updated Safety Plan, in default format designed by **OSHC** in accordance with the contract requirement.
28. **CM** shall forward the Safety Plan (which has incorporated the "safety plan in respect of Sub-contract Works" when available) to **OSHC** for comments^{Note 7} within two weeks upon receipt of same from MC.
29. **CM** shall convey **OSHC's** comments, if any, to MC and **NSC/ BSSSC** for incorporation into the revised Safety Plan and "safety plan in respect of Sub-contract Works" respectively.
30. **CM** shall send the revised Safety Plan to the ASA via **OSHC**.
31. **PBSE** shall provide support to the **CM** on the **NSCs'/ BSSSC's** submission when necessary.

Safety Audit

Conducting the Safety Audit

32. Based on the most updated HASAS version and with reference to the Safety Plans, the **ASA** shall carry out the Safety Audit quarterly throughout the contract period of a project for MC as well as for each **NSC/ BSSSC** other than lift and escalator installation. Under **HALENSAS**, normally three safety audits will be conducted for lift and escalator installation with construction period of 110 days or more. Two safety audits may only be practicable in some circumstances when the last stage of installation period lies in the third month of each quarter which is reserved for score verification and no safety audit would be conducted. Two safety audits are to be conducted for lift and escalator installation with installation period of less than 110 days. However, in case the time gap between the phased completion of building blocks in two Sections is more than four months such that the audits of lift and escalator installation works in the earlier Section

Note 3 For contracts adopting HKHA General Conditions of Contract 2013 Edition.

Note 4 For contracts adopting Government of Hong Kong General Conditions of Contract 1993 Edition.

Note 5 For contracts adopting HKHA General Conditions of Nominated Sub-contract 2013 Edition.

Note 6 For contracts adopting Government of Hong Kong Sub-contract Conditions 1993 Edition.

Note 7 OSHC will only comment on two submissions for MC and one submission for **NSCs/ BSSSCs** for each project.

PROCEDURES ON PROCESSING SAFETY AUDIT

cannot cover those lift and escalator installation works in the later Section, then not more than three but not less than two audits shall be arranged for the lift and escalator installation works for each of the earlier Section and the later Section.

33. The Contractors' most senior site representatives shall attend each Safety Audit.
34. For bundled contracts comprising several sites located apart, safety audit shall cover every site unless there is no significant work carried out on a particular site or that site is certified completed.
35. The first Safety Audit for HASAS shall be carried out by **ASA** not later than three months after commencement of the contract.
36. The **ASA** shall select an assistant from **OSHC**'s list of **ASAs** to assist him/her in carrying out Safety Audit.
37. **Project Architect / Engineer or site representative, PSP Professional and PSP site supervisory team for Design and Build (D&B) contract** shall participate in safety auditing, by attending the open meeting and the end of audit meeting and/or joining site verification inspection with OSHC, to keep abreast of contractor's safety performance in carrying out construction works.
38. **MC** and **NSC/BSSSC** for lift and escalator installation should build up a list of high risk site operations / activities with reference to the checklist at **DCMP-F788** and **DCMP-F7108** respectively, assess the risks of site operations / activities and establish appropriate control measures / safe operation procedures. **ASA** should identify high risk operations /activities that are anticipated according to the project nature and progress, prioritize in the audit plan for verification during the safety audit.
39. **ASA** has to inform any imminent danger identified during the safety audit to the contractor, the NSCs/ **BSSSCs** as well as the project Architect / Engineer and **PSP Professional for D&B contract**. The **Project Architect / Engineer** and **site representatives, PSP Professional and PSP site supervisory team for D&B contract** have to monitor the rectification of imminent danger.

Time Sheet for Safety Audit

40. As the Auditing Fee is based on the actual working time on site, **CM** shall instruct the site staff to record the time of arrival and departure of **ASAs** and inform **OSHC** of the time taken for the Safety Audit via a standard form (**DCMP-F784**) within one week after the safety audit.

PROCEDURES ON PROCESSING SAFETY AUDIT

Safety Audit Report

41. The *ASA* shall, within one week after completing the Safety Audit, prepare a Safety Audit Report for MC and a Safety Audit Checklist Report for the respective NSC/ **BSSSC** together with an Extract for Attention (**DCMP-F785A**) highlighting imminent risk items for physical activities and weakness of key Elements or Sections with unsatisfactory performance (score less than 70% within that Element or Section) and Action Plan for Improvement in table form ^{Note 8} (**DCMP-F785B**) after each audit on site. The *ASA* shall prepare a full set of audit reports to the CM and PBSE for record.
42. *ASA* shall send a full set of audit reports to OSHC to verify the quality of the audits and the recommendations made. *ASA* shall highlight in the executive summary of audit reports where poor safety performance of contractors is attained in audit questions in three or more consecutive safety audits. The *ASA* shall also send one copy of the audit report in the form of soft copy to **S&H Unit** (Attn: SM/SH) of HA at the same time for information.
43. **OSHC** will conduct random on-site inspections in every four safety audits conducted under HASAS and at least one inspection to each lift and escalator sub-contract under HALENSAS or when necessary: (i) to verify site safety performance of MC; (ii) to check audit performance of *ASA*; and (iii) to scrutinize and endorse as appropriate, the contractor's proposed innovative safety control measures, if any, and provide **OSHC's** comment to the CM for his / her consideration of payment under this item, for contracts incorporating the revised Payment for Safety items under the integrated PSE&H Scheme ^{Note 9}.
44. If **OSHC** is satisfied with the quality of the Reports, a Notice of Satisfaction and the Audit Report will be issued to CM and PBSE. **OSHC** will send all verified safety audit reports to the **S&H Unit** for information. If the quality of the Reports is not acceptable, OSHC will issue warning letter to the *ASA* and disciplinary action would also be taken if necessary. OSHC will record the warning issued or disciplinary action taken on the *ASA's* personal record. OSHC will also recommend to CM for replacement of *ASA* for repetitive poor performance in conducting safety audit and poor quality of safety audit report.

^{Note 8} The Summary of Recommendations will include an "Extract for Attention" list highlighting imminent risk items and weakness in key elements or sections with unsatisfactory performance.

^{Note 9} Refer to the separate DCMBI on the revised Payment for Safety items under the Integrated Pay for Safety, Environment and Hygiene Scheme. Subject to endorsement by OSHC, the contractor may seek CM's agreement to pay for implementing innovative and functional safety installations or measures, application of BIM and RFID for safety.

PROCEDURES ON PROCESSING SAFETY AUDIT

45. If there is any dispute on the Audit Scores or on the Safety Audit Reports, the **MC** and/or **NSC/ BSSSC** should inform in writing with supporting reasons to OSHC within one week after receiving the report. Late appeal will not be entertained.
46. The **Contractors** should follow up on the Safety Audit findings with an Action Plan for Improvements. The Action Plan should be submitted to the CM and PBSE respectively as well as the ASA for follow up in the next audit.
47. **CM** and **PBSE, PSP Professional for D&B contract** should make use of the recommendations in the Audit Reports, if found appropriate, to follow up with the Contractors to improve the safety conditions on site.

Verification of Safety Audit Scores

48. Upon verification and endorsement, **OSHC** will send the verified score results of each contract and lift and escalator nominated sub-contract to CMR and MC (**DCMP-F789** and **DCMP-F7109**). **OSHC** will send all verified safety audit reports to the **S&H Unit** for information. The verified safety audit report shall include a detailed breakdown of the verified safety audit score summary.
49. At the end of each quarter, **OSHC** will compile and send quarterly summaries of Safety Audit Results (**DCMP-F790** and **DCMP-F7110**) to **S&H Unit**, for onward transmission to the **Procurement Section**. Verified safety audit scores will continue to be used for PASS Safety score merging and for consideration of regulatory actions on the basis of safety performance.

Random Checking of ASAs' Reports and Verified Safety Audit Report of OSHC

50. **S&H Unit** will select both ASAs' reports and OSHC's verified safety audit reports from at least 2 contracts randomly in every quarter for checking.
51. The scope of checking will cover all the 14 elements, Critical Pass elements and high risk subsections. The ASAs' audit scores and substantiation will be checked against the OSHC's verified safety audit scores and the verifications made by OSHC. All ASAs' audit assessment without corresponding substantiation should have been covered in the verification process by OSHC. **S&H Unit** will clarify with OSHC on any inconsistencies or irregularities identified.

Payment of Safety Auditing Fees

52. Auditing Fee to ASA for carrying out the Safety Audits shall be borne by the

PROCEDURES ON PROCESSING SAFETY AUDIT

Housing Authority and all payment to ASA shall be made through ***OSHC***. The Contractors shall not pay the ASA.

53. The ASA's Auditing Fee (inclusive of the fee for his assistant) is based on the actual working time on site with a ceiling of normally 16 hours for HASAS and 8 hours for HALENSAS. ***OSHC*** will also charge the maintenance fee for the system based on the number of audits and the administration charge of auditing fee.
54. The ***S&H Unit*** shall process all payments in relation to Safety Audits.
55. Funding for the HASAS and HALENSAS is to be charged on a separate account monitored by the ***S&H Unit***, and no allowance should be made in the project vote.